GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industries and Commerce Department - Food Processing Policy 2015-2020 of Andhra Pradesh State - Operational Guidelines issued - Certain additions – Orders – Issued.

INDUSTRIES & COMMERCE (PROG-III) DEPARTMENT

G.O.Ms.No.105 Dated:28.07.2016

Read the following:

1.G.O.Ms.No.57, Ind.&Com.(Prog.III) Dept., dt.24.07.2015.

2. G.O.Ms.No.104, Ind.&Com.(Prog.III) Dept., dt.12.11.2015.

3. From the CEO,A.P., Food Processing Society, Lr.No.APFPS/APFP Policy 2016- 17/PMC/SSA, dt.19.7.2016.

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ORDER:

In the G.O.1st read above, orders were issued on Food Processing Policy of Andhra Pradesh State for the period 2010-2020.

2. In the G.O.2nd read above, based on the proposal of the Chief Executive Officer, Andhra Pradesh Food Processing Society Hyderabad, Operational Guidelines for implementation of Schemes included in the Food Processing Policy 2015-2020 were issued.

3. In the reference 3rd read above, the Chief Executive Officer, Andhra Pradesh Food Processing Society, Hyderabad has stated that the conditions to be fulfilled by the applicants for accordance of "Final approval" have been laid down in the Guidelines for Mega Food Park Scheme and Integrated Food Park Scheme in the A.P. Food Processing Policy. Out of the total number of conditions, two conditions for which the formats need to be shared by APFPS with the applicants include:

A. Share subscription agreement (SSA) by the SPV for Mega Food Parks and Integrated Food Parks (2 agreements).

B. Proof of appointment of Project Management Consultant (PMC) for Mega Food Parks and Integrated Food Parks (2 Agreements).

4. He has stated that the formats have been prepared in line with the formats used by Govt., of India with necessary modifications without major changes and requested to add the two formats to the existing guidelines issued in G.O.Ms.No.104, dt.12.11.2015. therefore CEO, APFPS, Hyderabad has requested to include the two conditions for which the formats need to be shared by the APFPS with the applicants.

(P.T.O)

5. Government after careful examination of the proposal of the Chief Executive Officer, Andhra Pradesh Food Processing Society, Hyderabad has decided to added the following two conditions/draft agreements (Share Subscription Agreement and Memorandum of Agreement) to the operational guidelines appended in the Annexures to G.O.Ms.No.104, Inds. & Com.(Prog.III) Dept., dt.12-11-2015.

A. Share subscription agreement (SSA) by the SPV for Mega Food Parks and Integrated Food Parks (2 agreements).

B. Proof of appointment of Project Management Consultant (PMC) for Mega Food Parks and Integrated Food Parks (2 Agreements).

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

M.GIRIJA SHANKAR
SECRETARY TO GOVERNMENT (M&G and FP) (FAC)

To
The Chairman, Andhra Pradesh Food Processing Society, A.P., Hyd.
The Chief Executive Officer, A.P., Food Processing Society, A.P., Hyd.
The Director of Industries, A.P., Hyderabad.

Copy to
All the PS to Principal Secretaries/Secretaries to Government, Govt., of A.P.,
All the Heads of the Department, Govt. of A.P.,
All the District Collectors, Govt., of Andhra Pradesh
All Departments in Andhra Pradesh Secretariat, Hyderabad\
The Vice Chairman & Managing Director, A.PIIC Ltd., Hyderabad
The Secretary, Govt., of India, Ministry of Food Processing Industries,
Panchsheel Bhavan, August Kranti Marg, New Delhi-100 049.(with covering letter)
The P.S to Minister for (Agriculture /Horticulture/Marketing /Fisheries/
Animal Husbandry) Government of A.P.
The P.S to Chief Secretary to Government.
The P.S to Secretary to Govt.,(M&G and FP) Industries and Commerce Dept.
The P.S to Secretary to Govt., & CIP, Ind.&Com.Dept.,
The P.S to Secretary to Govt., (H&T) Dept.,
The Government Pleader for Industries and Commerce Dept., (High Court of A.P.,
Sf/Sc.

//FORWARDED::BY ORDER//

SECTION OFFICER

(SHARE SUBSCRIPTION AGREEMENT FOR MEGA FOOD PARK)

(G.O.Ms. No.105, Ind. & Com. (Prog.III) Dept., dt:28.07.2016)

THIS SUBSCRIPTION AGREEMENT executed at _____ on the _____ day of _____

BY AND BETWEEN

_____, a company incorporated under the Companies Act 1956, having its registered office at _____
(hereinafter referred to as the "**the Company**" or "**the SPV**" which expression, unless repugnant to the context and meaning thereof, shall include its successors and assigns) of the ONE PART;

AND

_____, a Partnership firm/ a Proprietorship concern/ a company incorporated under the Companies Act 1956, having its registered office at _____
(hereinafter referred to as the "**First Shareholder**" which expression, unless repugnant to the context and meaning thereof, shall include its successors and permitted assigns).

AND

_____, a Partnership firm/ a Proprietorship concern/ a company incorporated under the Companies Act 1956, having its registered office at _____
(hereinafter referred to as the "**Second Shareholder**" which expression, unless repugnant to the context and meaning thereof, shall include its successors and permitted assigns)

AND

_____, a Partnership firm/ a Proprietorship concern/ a company incorporated under the Companies Act 1956, having its registered office at _____
(hereinafter referred to as the "**Third Shareholder**" which expression, unless repugnant to the context and meaning thereof, shall include its successors and permitted assigns)

AND

_____, a Partnership firm/ a Proprietorship concern/ a company incorporated under the Companies Act 1956, having its registered office at _____
(hereinafter referred to as the "**Fourth Shareholder**" which expression, unless repugnant to the context and meaning thereof, shall include its successors and permitted assigns)

AND

_____, a Partnership firm/ a Proprietorship concern/ a company incorporated under the Companies Act 1956, having its registered office at _____

(hereinafter referred to as the "**Fifth Shareholder**" which expression, unless repugnant to the context and meaning thereof, shall include its successors and permitted assigns)

AND

_____, a Partnership firm/ a Proprietorship concern/ a company incorporated under the Companies Act 1956, having its registered office at _____

(hereinafter referred to as the "……. **Shareholder**" which expression, unless repugnant to the context and meaning thereof, shall include its successors and permitted assigns

(First, Second, Third, Fourth, Fifth and ….. Shareholder are collectively referred to as the Shareholders)

(The Company and shareholders are collectively referred to as parties)

WHEREAS:

(A) The Government of Andhra Pradesh has launched the Mega Food Parks Scheme ("MFPS") to establish Mega Food Parks in various districts of the state. These Mega Food Parks shall include Core Processing Facilities, Factory Buildings for Micro and Small Enterprises (MSEs), Enabling Basic Infrastructure and Non-Core Infrastructure as per the Guidelines of MFPS.

(B) The responsibility for execution, ownership and management of the Mega Food Park shall vest with Special Purpose Vehicle (SPV), incorporated as companies under the Companies Act, 1956 and promoted by the promoters which shall primarily have majority stake in the SPV.

(C) Andhra Pradesh Food Processing Society (APFPS) had invited proposals/ expressions of interest from potential stakeholders/ promoters for establishing Mega Food Parks across the state. In response to the above, the Company/ the Shareholders/a group of entrepreneurs had submitted a proposal to APFPS for setting up an Mega Food Park at ……(hereinafter referred to as the "Mega Food Park" or the "Project")

(D) Based on the EOI, APFPS had accorded 'In-Principle' Approval for the Park vide its letter / order no. ---------- dated ----------, a copy of which is attached as **Schedule-I** to this Agreement.

(E) Later, a Detailed Project Report was also submitted to APFPS which envisages total project cost as ……, proposed to be funded through a mix of equity, debt and grant from Government of Andhra Pradesh. The Project envisages an amount of ……as promoters' contribution which needs to be raised by the Shareholders to implement the Project.

(F) Accordingly, for the purpose of implementing the Mega Food Park, the Shareholders have come together to jointly promote the Company to act as the SPV for the Mega Food Park at ….. (hereinafter referred to "**the Park**" or "**the Project**")

(G) The Shareholders intend to acquire shares of the Company on the terms and conditions specified in this Agreement.

(H) The Parties are desirous of investing in and subscribing to and holding equity shares in the issued and paid up equity share capital of the Company to the extent and in accordance with these presents.

(I) The Parties are accordingly desirous of entering into this Shareholders Agreement recording the terms and conditions governing their respective investment in the equity share capital of the Company and certain related matters including their inter-se understanding in relation to their investment, control and management of the Company and their respective rights and obligations as contained in these presents.

NOW THEREFORE IN CONSIDERATION OF THE PREMISES AND MUTUAL COVENANTS HEREIN CONTAINED, THE PARTIES HEREBY AGREE AND WITNESSETH AS FOLLOWS:

1. DEFINITIONS

1.1 All the capitalized words and expressions in this Agreement shall, unless repugnant to the context or meaning thereof, have the meaning respectively as ascribed to them as contained in these presents.

"Act" shall mean the Companies Act, 1956, or any statutory modification or reenactment thereof for the time being in force and effect.

"Affiliate" or "Associate" means with respect to any Party, any Person which is a holding company or subsidiary of such Party or any person which directly or indirectly, a) owns or controls such Party, b) is owned or controlled by such Party, or c) is owned or controlled by the same person, who directly or indirectly, owns or controls such Party and includes societies, subsidiaries, group companies and funds under the management of the company. For the purposes of this Agreement, the terms "holding company" and "subsidiary" shall have the meaning ascribed to them under the Companies Act, 1956 and the term "control" shall mean:

a) control over the composition of Board of Directors of an entity; or

b) control of at least 51% of the issued and paid up equity share capital of the company.

"Accounting Year" means the financial year commencing from 1st April of any calendar year and ending on 31st March of the next calendar year

"Agreement" shall mean this Shareholders' Agreement

"Applicable Law" means any statute, law, regulation, ordinance, rule, judgment, order, decree, by-law, approval from any Competent Authority, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing, by any Competent Authority having jurisdiction over the

matter in question, whether in effect as of the date of this Agreement or at any time thereafter.

"Auditor" shall mean the statutory auditor of the Company for the time being selected and appointed by the Company

"Board" shall mean the Board of Directors of the Company, as constituted from time to time

“Park” or “Project” means the Mega Food Park developed/to be developed by the Company at … known as [_____].

“Company/SPV” means_____

“Competent Authority” means any government, any state or other political subdivision thereof, any Entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, or any other government authority, agency, department, board, commission or instrumentality or any political subdivision thereof, and any court, tribunal or arbitrator(s) of competent jurisdiction, and, any governmental or non-governmental self-regulatory organisation, agency or authority; having jurisdiction over any of the Parties to this Agreement or the assets or operations of any of the foregoing, or any of the transactions contemplated hereby.

"Contractor" means the contractor or contractors, if any, with whom the Company _____ has entered / agreed to enter into all or any of the Project Agreements.

"Debt" means the debt part of the Project financing agreed to be provided by the Lenders for the Project.

"Director" shall mean a member of the Board of the Company being duly appointed by the First Shareholder (other than the Company) in accordance with this Shareholders' Agreement.

"Equity Contributions" shall mean, at any time, that aggregate amount actually paid by the shareholders of the Company in respect of the issued, fully paid-up and outstanding equity shares of the Company and any sums paid by the shareholders of the Company as an advance against equity, at such time.

"Financing Documents" means, collectively, the loan agreements, lease agreements, hire purchase agreements, notes, indentures, security agreements or arrangements, guarantees, acceptable letters of credit and other agreements evidencing any obligation of the Company and other necessary undertakings required pursuant to the respective terms thereof, relating to the permanent financing, interim financing or any refinancing for the Project or any portion thereof, in each case as amended, supplemented or otherwise modified hereafter from time to time and includes all documents evidencing Lenders’ commitment to finance the Debt.

"Financial Officer" means either the Managing Director/Director in Charge/Chief Executive Officer of the Company or nominee of the Company duly authorised by the Board of Directors of the Company to provide instructions/certificates hereunder.

“General Meeting” means a meeting of the Members.

"Members" shall mean any person whose name appears as such in the Register of members of the Company

"Memorandum and Articles of Association" shall mean the Memorandum of Association and the Articles of Association of the Company and references to the "Memorandum of Association" and "Articles of Association" shall mean the Memorandum of Association and the Articles of Association respectively, of the Company.

“Nominee Director” means a Director who is nominated to the Board by the any shareholder/institution."

"Party" or "Parties" shall mean a Party or more than one Party, as the case may be, to this Shareholders' Agreement but shall not include the Company, where the defined term is used in relation to rights and obligations among the Shareholders, as the context may require.

"Person" shall mean (unless otherwise specified or required by the context), any individual, company, corporation, partnership, joint venture, trust, unincorporated organisation, government or Government Agency or any other legal entity.

"Projects" mean Mega Food Park, sanction issued by Andhra Pradesh Food Processing Society (APFPS), Government of Andhra Pradesh.

"Project Agreements" means collectively contracts for execution of works for up-gradation / development of infrastructure, contracts for operations & maintenance of infrastructure, escrow / trust & retention account agreements and any other agreements or contracts entered into by the Company relating to the Project.

“Project Development” means all the activities in respect of a Project commencing from identification up to and including conducting of Project feasibility studies, preparation of detailed project report(s) (DPR), specifications, drawings, financing and contract documents for the Projects to enable implementation of the Project and construction, management and overall process management.

"Lenders" shall mean and include the institutions/banks who have agreed to provide financial assistance to the Company for the Project under the Financing Documents.

“Scheme” or “MFPS” means Mega Food Parks Scheme in accordance with guidelines published/ to be published by Industries and Commerce Department (Food Processing), Government of Andhra Pradesh, and includes any amendments thereto.

"Shares" shall mean, collectively, (1) all the issued equity shares in the equity share capital of the Company of the face value of Rs. 10/- (Rupees Ten) each, together with (2) any equity shares of the Company that a Member receives at any time with respect to any such equity Shares as a result of any bonus issue, re organisation, or otherwise

“Shareholders” means all the above parties and each of the Shareholders and “Shareholder” means any one of them singly.

"Share Capital" shall mean the authorised equity share capital for the time being of the Company.

"Shareholders' Agreement" shall mean this agreement including all Schedules attached thereto.

"Transferee" shall mean any person to whom or which Shares are transferred in a manner by any Party, hereto as set out in this Shareholders' Agreement and who or which, as a condition to the permitted transfer thereof, agrees in writing and executes a Deed of Adherence in the form contained in Schedule 2 hereof, to be bound by the terms and conditions of this Shareholders' Agreement.

"Transaction Agreements" shall mean and include each of the Project Agreements and the Financing Documents

1.2 Interpretation

a. References to the laws shall mean the applicable laws of the Republic of India.

b. References in the singular form shall include the references in the plural and vice versa.

c. References to a particular article, paragraph, sub-paragraph or appendix shall, except where the context otherwise requires, be a reference to that article paragraph, sub-paragraph or appendix in or to this agreement.

d. The headings are inserted for convenience and are to be ignored for the purpose of construction.

e. The words "include" & "including" are to be construed without limitation.

f. The appendices to this agreement form part of this agreement and will be of full force and effect as though they were expressly set out in the body of this agreement.

g. Whenever provision is made for the giving of notice, approval or consent by any Party, unless otherwise specified such notice, approval or consent shall be in writing and the words "notify", "approve" and "consent" shall be construed accordingly.

h. The validity or unenforceability of any portion or provision of this Agreement shall not affect the validity or enforceability of any other portion or provision. Any invalidity or unenforceable portion or provision shall be deemed severed from this Agreement. The Parties agree in such circumstances to interpret and to negotiate an equitable amendment to the provision of this Agreement to give effect to the underlying purpose of this Agreement.

i. The above recitals form an integral part of this agreement.

j. In this Shareholders' Agreement, the following expression shall unless repugnant to the context or meaning thereof have the meaning hereinafter assigned to them.

2. THE COMPANY

2.1 (1) The Parties acknowledge that the Company has been incorporated under the provisions of the Companies Act, 1956, with its registered office situated at _____. The Company may have such other offices and branches including its administrative office, as may be required from time to time.

(2) The principal objective of incorporation of the Company is to develop and implement the Project (including sub-projects).

2.2 Shareholding

(1) The present authorised share capital of the Company is Rs. _____, divided into _____ equity shares, with a face value of Rupees 10/- (Ten) each. The authorised share capital shall be increased to Rs. ____ divided into _____ equity shares of Rs. 10/- each, to cover further investments on the Project.

(2) The Parties shall ensure that the shareholding of the company and Shareholders in the issued and paid up equity share capital of the Company shall be in accordance with requirements for the Project, this Agreement and/or the covenants in the Financing Documents. The initial shareholding of the Company shall be as under:

a) First Shareholder, by itself or together with its Associates, shall hold not more than __% shareholding in the issued and paid up equity share capital of the Company; and

b) Second Shareholder, by itself or together with its Associates, shall hold not more than __% shareholding in the issued and paid up equity share capital of the Company; and

c) Third Shareholder, by itself or together with its Associates, shall hold not more than __% shareholding in the issued and paid up equity share capital of the Company; and

d) Fourth Shareholder, by itself or together with its Associates, shall hold not more than __% shareholding in the issued and paid up equity share capital of the Company; and

e) Fifth Shareholder, by itself or together with its Associates, shall hold not more than __% shareholding in the issued and paid up equity share capital of the Company; and

(3) Issued, Subscribed and Paid Up Share Capital

The initial issued and subscribed share capital of the Company is Rs _____ divided into _____ equity shares of Rs 10 each issued for cash at par and is held as follows:

Sr. No.	Name	No. of Shares

3. CONDITIONS TO SUBSCRIPTION

3.1 Subscription by the Parties Upon Increase of Authorised Capital:

In the event of increase in the authorised capital of the Company, having regard to the requirements of the Project, the Parties (other than the Company) shall bring in the funds in proportion of their existing shareholdings in the Company within seven days of receipt of a drawdown notice issued by an authorised official of the Company. The drawdown notice shall specify the amount being sought from each Party (other than the Company) and the proposed shareholding pattern after drawdown is completed. Prior subscription by the Shareholder shall be a condition precedent for subscription by the Company.

4. EQUITY CONTRIBUTIONS

The Financial Officer of the Company shall notify the Parties (other than the Company) of the order in which they are required to make their respective equity contributions, which shall be in accordance with Clause 3.1. In the event of any change warranted by any circumstances in the order of equity contribution, the Parties shall, by consensus, agree upon the revised order of Equity Contributions.

For any delay in remittance pursuant to the notice beyond the stipulated date as per the notice, the Company shall be entitled to collect interest on the outstanding amount at the prevailing prime lending rate of State Bank of India per annum. The Parties (other than the Company) shall make timely payments such that the disbursements under the loans granted by the Lenders to the Company, if any, is not in any manner delayed/ affected.

5. OBLIGATIONS OF THE PARTIES

5.1 Obligations of the Company

The Company shall:

1. Pursuant to the execution of the Shareholders' Agreement, make the necessary changes to the Memorandum and Articles of Association so as to incorporate, as far as is legally valid and possible, the provisions of this agreement in the Articles;

2. In case there is a variance, discrepancy or inconsistency between the provision of this Shareholders' Agreement and the Memorandum and Articles of Association of the Company, the Company shall effect such amendments in the Memorandum and Articles of Association of the Company as are necessary to eliminate such variance, discrepancy or inconsistency to the fullest extent possible and valid under Applicable Law, as soon as such variance, discrepancy or inconstancy is brought to the attention of the Company;

3. For the purposes of effecting allotments of Shares to the Parties (other than the Company), ensure the requirement of the Applicable Law are complied with prior to the issuance of notice under Article 4;

4. Upon receipt of Equity Contributions, allot the Shares and issue the share certificates within a reasonable time frame.

5. Ensure that the share certificates issued in respect of the Shares issued and allotted to the Parties (other than the Company) contain the legend contained in Article __ hereof;

6. Confirm that the shareholding in the Company by the Parties (other than the Company) are not diluted in any manner, which has not been approved by the COMPANY and their shareholdings are free from encumbrances (i.e. the Company to confirm having not noted any claim or interest of any other Person on the shareholding of the Parties (other than the Company).

7. Remain in compliance with all the Transaction Agreements at all times and in the event of any breach or likely breach, which in the opinion of the Company is of a material nature in relation to the Project, notify the Parties (other than the Company) with full particulars thereof, as soon as practicable specifying the further course proposed to be undertaken

5.2 Obligations of Shareholders

The Shareholders hereby undertake that they shall, by themselves or through their Affiliates, hold at least 51_% of the equity share capital of the Company at all times in case of induction of new shareholders or any other changes in the equity structure of the Company.

All the Shareholders agree to do all acts, deeds, things ---------- within their power to enable the Company to abide the guidelines of MFPS and any other norms or guidelines stipulated by Government of Andhra Pradesh from time to time

The Shareholders shall be responsible for carrying out the following:

(1) Procure & maintain in full force and effect, as necessary, appropriate proprietary rights, licenses, agreements, permissions and applicable permits for materials, methods, processes and systems used in or incorporated into the Project

(2) Be responsible for implementation of the Project, quality, soundness, durability, safety and compliance of the overall Project requirements notwithstanding the appointment by the Company of Contractor(s) to implement the Project/Project Facilities.

(3) Ensure compliance with performance standards at the time of commissioning the Project as per Agreement.

(4) Execute such Financing Documents, agreements and provide necessary guarantees, undertakings and security as may be required or stipulated by the Lenders to the Project.

6. <u>MANAGEMENT</u>

(1) The Company would be managed and controlled by its Board of Directors. The Board shall have the responsibility, power and authority to manage and supervise the business and affairs of the Company in accordance with this Agreement, the Memorandum and Articles of Association of the Company and Applicable Law

(2) (a) Subject to provisions of Section 255 of the Act, that

(i) For so long as First Shareholder holds not less than __% (_____) of the paid-up equity capital of the Company, it shall be entitled to appoint __ (____) persons as its Nominee Directors of the Company.

(ii) For so long as Second Shareholder holds not less than __% (_____) of the paid-up equity capital of the Company, it shall be entitled to appoint __ (____) persons as its Nominee Directors of the Company.

(iii) For so long as Third Shareholder holds not less than __% (_____) of the paid-up equity capital of the Company, it shall be entitled to appoint __ (____) persons as its Nominee Directors of the Company.

(iv) For so long as Fourth Shareholder holds not less than __% (_____) of the paid-up equity capital of the Company, it shall be entitled to appoint __ (____) persons as its Nominee Directors of the Company.

(v) For so long as Fifth Shareholder holds not less than __% (_____) of the paid-up equity capital of the Company, it shall be entitled to appoint __ (____) persons as its Nominee Directors of the Company.

(vi) The appointment or removal of nominee Director/s of company / Shareholders under this Article shall be by notice in writing addressed to the Company and shall take effect forthwith upon such notice being received by the Company from Shareholders.

Subject to the provisions of sub-Article _____ above, for every reduction of __%(__ Percent) shareholding in the paid up equity capital of the Company, the Shareholders shall lose the right to nominate one Director so appointed under clause ____ i.e. the reduction of number of directors will be at the rate of one nominee Director for every __%(____ Percent) reduction in the holding of the paid up equity capital of the Company and the Party's one Nominee Director shall cease to be a Director on and from the date on which the shareholding of such Party (other than the Company), falls by ____%(____ Percent) of the paid up equity capital of the Company.

(b) Each Party (other than the Company) having a right to nominate a director shall have the right to remove any such nominee from office and on a vacancy being caused in such office from any cause whether by resignation, death, removal or otherwise of the person/s so appointed, to appoint another in the vacant place.

(3) The nominee of the Shareholder with the maximum shareholding in the paid-up equity capital of the Company shall be elected as the Chairman of the Board of Directors. In case of equal shareholding by more than one shareholder, the Board of Directors shall collectively elect the Chairman of the Board of Directors. The Chairman shall hold office for such time as the Shareholder appointing him/Board of Directors stipulates at the time of appointment.

(4) The Chief Executive Officer of the Company will be nominated by the Company. The Parties (other than the Company) hereby agree to instruct their nominee directors to cast their votes in favour of the Person nominated by company for enabling his appointment as Chief Executive Officer and undertake to ensure the compliance of their nominee directors with the terms of this Sub Clause. The Chief Executive

Officer/ would be responsible for the day to day management of the Company, subject to superintendence, control and direction of the Board.

7. TRANSFER AND ENCUMBRANCE OF SHARES

7.1 Notwithstanding the Listing Agreement to be entered into in respect of the listing of the equity shares of the Company and subject to the provisions hereinafter contained the Parties hereby agree that the transfer of the shareholding of the Parties (other than the Company) shall be subject to the following provisions:

(i) The Parties (other than the Company) shall not transfer or dispose of its respective shareholdings, or any part or parts thereof, in the Company in any manner whatsoever except as hereinafter expressly provided;

(ii) The Parties (other than the Company) shall not, at any time, create any charge mortgage, lien or pledge over or hypothecate or encumber in any manner their respective Shares, whether in whole or in part or at any time or in any manner grant options in respect of its respective shares or any part or parts thereof as a result of which the rights and obligations accruing to under this Agreement should be altered, varied or modified in any manner whatsoever

(iii) The Parties (other than the Company) agree that they shall not at, any time when any or all of the Lenders to the Company have dues outstanding from the Company, transfer their shares in the Company without the prior written consents of the Lenders if so required under the Financing Documents.

(iv) The restrictions specified above shall not apply for creation of pledge security over the shares of the Company in favour of the Lenders, if so stipulated by the Lenders.

7.2 Right of First Refusal

(i) The Parties hereby agree that when a Party hereto (other than the Company), were to decide to sell their shares, or any part or parts thereof, in the Company (the "Offering Party"), it would offer the first right of purchase/ refusal to the Parties (other than the Company), in proportion to their equity holding, at the fair market price determined as set forth in Paragraph (ii) below. If the Parties (other than the Company) agree to purchase such Shares in full or parts thereof, as the case may be, such Shares or part thereof shall be transferred to the Parties (other than the Company) in proportion to their then existing shareholdings, at the relevant point in time. In addition to the Shares offered according to the proportionate entitlement, in the event that any of the Parties (other than the Company) does not accept the offer, the Parties (other than the Company) accepting the offer shall be offered the remaining Shares. If none of the other Parties (except the Company) accepts the offer within sixty (60) days of the determination of the fair market price by the auditors/valuers in accordance with paragraph (ii), then the Offering Party shall sell the shares or the part or parts thereof, as the case may be to a third party or parties that may be agreed upon by the remaining Parties (excluding the Company), or where the said remaining Parties are unable to agree upon such a third party or parties within a period of 30(thirty) days, to a third party or parties who is or are nominated by the Offering Party. Provided that under no circumstances shall the sale-price of the Shares and the terms and conditions upon which the shares are proposed to be sold to such third party or parties be less favourable than that on which they were offered to the other Parties (excluding the Company) who had refused, unless they are once again offered to the Party or Parties who so refused

first. For the purposes of this Clause a Party receiving the offer can accept itself or procure the acceptance by its Affiliate;

(ii) For the purpose of determining the price to be paid for the Shares offered in terms of Clause (i) above, all the Parties (excluding the Company) shall abide by the value determined by the Statutory Auditor of the Company who shall determine the fair market price of the Shares by, inter-alia, taking into account the net worth, the earning capability and, if applicable, average daily price of the Shares ruling for a period of at least six (6) months on the Stock Exchange(s) on which the shares are quoted or by such other methods as may be acceptable to all Parties (excluding the Company) and the Company shall be bound to extend all necessary and appropriate assistance to such Auditor or valuer in determining the fair market price.

(iii) In the event of acceptance, by one or any of the Parties (excluding the Company), of the offer of the Offering Party to sell the Shares held by it or any part or parts thereof, as the case may be ("the Purchasing Party/ies"), the sale of Shares shall be completed and full payment of the price thereof be made by the Purchasing Party/ies, within thirty (30) days of the date of acceptance of the offer or the receipt of the requisite approvals, whichever is later. In the event of default in the payment of the said sale price, the Offering Party shall be free to sell the shares to any other Party (excluding the Company) or Parties (excluding the Company), or if no other Party or Parties is or are willing to purchase such Shares, or such part or parts thereof, to such third party or parties as are nominated in accordance with Sub-Clause 9.4(i) above at the cost, risk, and responsibility of the defaulting Party/ies. All transfers by any such Offering Party shall be subject to Applicable Law and any covenants under the Financing Documents.

(iv) Notwithstanding any other provisions of this Shareholders' Agreement, each of the Parties (excluding the Company) to this Shareholders' Agreement may, at any time, transfer its shares and/or assign its rights and obligations hereunder to an Affiliate, provided that:

Such transferring Party has provided 30(thirty) days prior written notice of its intention of such transfer to all other Parties and if such transferring Party is required to obtain a written consent of all the Lenders of the Company permitting the transfer has obtained the necessary consent;

Such Affiliate and /or third party is not in receivership, bankruptcy, insolvency, dissolution, liquidation or any similar proceeding;

The transferring Party has prior to such transfer or simultaneously therewith, effected the execution by such Affiliate and / or third party of a deed of adherence, substantially in the form annexed hereto as Schedule 2, whereby the Affiliate and /or third party unconditionally agrees to be bound by all the provisions of this Shareholders' Agreement, including but not limited to such provisions of this Shareholders' Agreement as constitute agreements relating to voting and restrictions on transfer of Shares;

The Affiliate and/or third party transferee complies with the time limit for payment as provided for in this Shareholders' Agreement, and

(v) Save and except by means of transfer of shares as permitted in this Article, the Parties by themselves or through their Affiliates (excluding the Company) hereto will not acquire Shares in the open market or otherwise, by which the percentage of shareholding indicated in Article 2 hereinabove will be altered. Provided, however,

that any Party or its Affiliate (excluding the Company) may acquire Shares in the open market or otherwise which alters the said percentage, with prior written consent of all other Parties (excluding the Company) on such terms and conditions as may be mutually agreed upon by them.

(vi) The percentage of shareholding of each Party (excluding the Company) in the Company for the purpose of exercise and termination of rights of each Party under this Shareholders' Agreement shall be the aggregate of the shareholding of each of the Party (excluding the Company) and its Affiliates

8. LEGEND

The Parties hereby agree that each share certificate (evidencing the shares held by them) shall bear the following legend impressed on each such certificate, by way of a rubber stamp:

"The shares, or other securities constituting shares, represented by this certificate are subject to restrictions including, but not limited to, restrictions upon voting rights attaching hereto and transferability hereof, which are detailed and set out in a Shareholders' Agreement dated _____.

9. CO-OPERATION

The Parties hereto agree that all provisions of this Shareholders' Agreement, including specifically, but not limited to, the agreements incorporated herein relating to exercise of voting rights and restrictions on the transferability of shares, are binding upon them and further agree that they shall at all times and in every manner co-operate to give effect to the provisions of this Shareholders' Agreement in general and to the provisions of the voting contained in this Shareholders' Agreement

10. AMENDMENT OF THE ARTICLES AND ASSOCIATION OF THE COMPANY

The Parties hereto agree that they shall render all necessary assistance and initiate such actions to effect all necessary amendments in the Articles of Association of the Company so as to incorporate, as far as is legally valid and possible the provisions of this Shareholders' Agreement in the articles.

11. DURATION, TERMINATION AND LIMITATIONS

11.1 This Shareholders' Agreement shall remain valid until it is terminated in accordance with the provisions hereof with reference to any Party hereto or if any of the Parties withdraws its shareholding in the Company by way of transfer or sale in accordance with the provisions of this Shareholders' Agreement, or if any Party is declared to be insolvent or ordered to be wound up, this Shareholders' Agreement shall stand terminated with reference to such Party only

11.2 The termination of this Shareholders' Agreement shall be without prejudice to any claims or rights of action of any Party previously accrued to it against the other Parties

11.3 For the purpose of this Article the shareholding of a Party in the paid-up equity Shares of the Company shall mean and include the shareholding of their respective Affiliates or assigns, if any.

11.4 The shares held by either of the Parties hereto or their respective Affiliates and Permitted Assigns shall notwithstanding the winding up or liquidation of the holder thereof, be always subject to the restrictions and constraints and obligations contained herein including but not limited to restrictions on transfer and pre-emption obligation as contained in this Share-holders' Agreement

11.5 No modification or amendment of this Shareholders' Agreement and no waiver of any of the terms or conditions hereof shall be binding unless made specifically in writing duly executed by the authorised representatives of all the Parties

11.6 Notwithstanding the termination of this Shareholders' Agreement for any reason whatsoever the provisions relating to the right of first refusal contained in this Shareholders' Agreement shall survive such termination and shall remain in full force and effect

11.7 Consequences of Termination:

a) The termination of this Agreement shall be without prejudice to any claims or rights of action of any Shareholder previously accrued to it against the other Shareholders

b) The Parties shall in accordance with the provisions of Indian Specific Relief Act 1963 applicable in the matter be entitled to specific performance of the terms of this Shareholders' Agreement including the rights and obligations contained in this Shareholders' Agreement governing the exercise of their respective voting rights at the meetings of the Board of Directors and General Meetings of the Shareholders of the Company

c) In the event of termination, the Parties whose participation is terminated shall return or destroy (and shall submit satisfactory evidence of such destruction to the other Parties) of all information derived by virtue of this Shareholders' Agreement, without retaining any duplicate or replicated copy except as permitted by the Party supplying such information;

d) Notwithstanding the termination of this Agreement for any reason whatsoever, the provisions of Clauses 13.10 (Indemnity Clause) and 15 (Confidentiality) shall survive such termination and shall remain in full force and effect

12. ARBITRATION

12.1. In the event of any dispute arising among the Parties hereto or any of the parties hereto under or in connection with this Shareholders' Agreement, the Parties hereby agree that:

(i) They shall use their best efforts to settle such dispute, and, to this end, any Party may notify all other Parties of its desire to initiate the settlement procedure contemplated by this Clause, whereupon all Parties shall forthwith, and at any rate not later than 30 (thirty) days of such notification, convene to resolve such dispute through amicable and good faith discussions. Should the Parties be unable to so resolve within 30 (thirty) days of the commencement of discussions, the dispute shall be submitted to a panel consisting of designees of each Party, provided that such designees are not Directors or Officers of the Company. The designees shall consult and negotiate with each other is an effort to reach a just and equitable solution that is acceptable to all Parties.

(ii) If the designees do not reach a solution within a period of thirty (30) days following the beginning of their consultations and negotiations, any Party that is involved in the dispute may treat the same as an arbitrable dispute by giving notice to the Company and the other Parties, in which case the dispute shall be submitted to a final and guiding arbitration in accordance with the provisions contained hereinafter.

(iii) If the dispute arises between any two or more of the Parties hereto the dispute shall be referred to a panel of arbitrators consisting of one arbitrator appointed by the Petitioner in party or parties, as the case may be, one arbitrator appointed by the respondent party or respondent parties, as the case may be, and one arbitrator appointed by the arbitrators (the "Umpire") appointed by the petitioner and respondent party/ies respectively. The seat of arbitration shall be at ……., India, the proper law of arbitration shall be Indian Law, and the arbitration shall be conducted in accordance with the Indian Arbitration and Conciliation Act, 1996.

12.2 All arbitral awards given in respect of disputes referred to arbitration in accordance with the provisions of this Clause 13 shall be final and binding on all Parties concerned.

12.3 All arbitration proceedings conducted pursuant upon this Article shall be conducted in the English Language.

13. REPRESENTATIONS AND WARRANTIES

Each of the Parties hereby represents and warrants as follows:

13.1 Each is a legal entity duly organised and validly existing under the laws of the jurisdiction in which incorporated and has the corporate power and/or authority to carry on its Business and/or perform its functions.

13.2 Each has all necessary power and authority to execute and deliver this Shareholders' Agreement, each of the other documents referred to in this Agreement to which it is a party and to act as a shareholder of the Company. The execution and delivery of this Shareholders' Agreement has been duly and validly authorised by their respective governing body/Board or Directors and no other proceedings on their part are necessary to authorise execution of this Shareholders' Agreement

13.3 The execution and delivery of this Shareholders' Agreement does not and will not contravene; (i) any provisions of the respective Memorandum and Articles of Association of or charter, as the case may be; (ii) result in a default or give rise to any right of termination, cancellation or acceleration under any of the terms, conditions or provisions of any material indenture, mortgage, note, lien, license, government registration, contract, lease, agreement or other instrument or obligation to which it is a party or by which the Company or the Promoters may be bound; or (iii) violate any law, order, writ, judgement, injunction, decree, statue, ordinance, rule or regulation applicable to it

13.4 Each Party has all necessary consents, licenses and approvals in connection with the entry into, and performance of its obligations under this Agreement and as a shareholder in the Company

13.5 The recitals to this Shareholders' Agreement are true and accurate in so far as the recitals relate to the Parties.

13.6 The Parties hereto confirm the enforceability of these presents inter-se

13.7 The Parties hereto would fully co-operate with each other with regard to the implementation of the Project of the Company as required under this Agreement

13.8 This Shareholders' Agreement is personal to the Parties hereto and none of them shall assign their respective rights, benefits and obligations hereunder except as otherwise expressly provided herein or agreed in writing by the Parties

13.9 Nothing in this Shareholders' Agreement shall be deemed to constitute a partnership between the Parties or constitute any Party the agent of the other Party for any purpose or entitle either Party to commit or bind the other Party (or any of its Affiliates) in any manner, or grants a right for any Party to use the name, trademark or logo script or the name of any Affiliate thereof.

13.10 Indemnification

Shareholders shall indemnify and keep harmless the Company from any action, proceeding, loss, damage, costs, charges and expenses which may be incurred or suffered by the Company as a result of any breach by Shareholders as the nominated O&M Contractor of O&M Contract or any other contract by which it is bound.

14. CONFIDENTIALITY

14.1. Each Party hereby agrees to hold in strictest confidence and do not reveal or disclose to any third party:

(i) Any and all information relating to the business affairs or property of other Parties or of the Company or any affiliates or group concerns of the Parties or the Company, obtained directly or indirectly, whether orally or in writing;

(ii) Any and all analysis, blue prints, surveys, compilations, studies, projections, documents and records prepared by the Company or by any other Party, their advisers or representatives, and any material that may be developed or generated from any confidential data, information or matters;

(iii) Any and all technical, economic, business or market studies or plans prepared by any or all of the Parties; before, during and after the term of this Shareholders' Agreement, except:

a) If such information has already and conclusively become public knowledge independent of the of the disclosing Party or Parties;
b) If such disclosure is mandated by operation or process of law; or
c) If the disclosure of such information has been permitted by all the Parties or by the concerned Party in writing.

Provided that in all cases of disclosure of confidential information as detailed in sub-Clauses (a), (b) and (c) above, written permission has to be obtained from all Parties or the concerned Parties, as the case may be.

14.2. This Article shall survive the termination of this Shareholders' Agreement in accordance with the procedure prescribed therefor in Article 11 of this Shareholders' Agreement.

15. MODIFICATIONS

The Parties hereby agree and acknowledge that the Company is required to obtain consent of the terms and conditions of this Shareholders' Agreement from the Lenders, pursuant to the terms of their respective sanctions. The Parties shall, after due negotiations, carry out such modifications to this Shareholders' Agreement, if any, as may be required by any of the Lenders.

16. NOTICES

Any notice required or permitted to be given hereunder shall be in writing and sent by Registered Mail, Postage Prepaid, by Facsimile or Telex and shall be addressed to the nominated official of the parties at the addresses set out hereinafter or such other addresses as any of the Parties may from time to time designate by notice in writing to the other parties.

1. To Company

2. To Shareholders

As detailed in Schedule I

Notice as provided herein shall be deemed to be served on the expiry of five (5) days from the date of its being mailed, or on the date it is sent by Facsimile or Telex, provided such Fascimile or Telex is sent during normal business hours of the addressee, failing which, it shall be deemed to be received on the immediately following working day.

17. ASSIGNMENT

This Shareholders' Agreement would be binding upon and would inure to the benefit of the Parties, their successors and permitted assigns, provided that neither this Shareholders' Agreement nor any interest herein nor any rights or obligations hereunder, may be assigned or transferred, save as otherwise hereunder provided, in whole or in part by any party without the consent of the other parties in writing

18. PARTIAL INVALIDITY

In the event that any one or more of the provisions contained in this Shareholders' Agreement shall be invalid, illegal or unenforceable in any respect under any applicable law, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby

19. GOVERNING LAW & JURISDICTION

This Shareholders' Agreement shall be governed by and construed in accordance with the laws of India and subject to the provisions of Article 12 hereinabove, the Courts of …….. shall have exclusive Jurisdiction

This Agreement is drawn in ___copies with equal legal strength and status. The Company and Shareholders hold a copy each. Stamp duty of Rs. _____/- is paid on the copy to be kept with the Company and on the duplicate copies Stamp duty of Rs. ____/- is paid. The Company shall furnish copies of executed Agreement to each of the Shareholders.

IN WITNESS WHEREOF, the Parties hereto have executed this Shareholders' Agreement at _____ on the day and year first above written

The Common Seal of the Company was affixed hereunto in the presence of Director Director	Signature First Shareholder	Signature Second Shareholder	Signature Third Shareholder
Signature Fourth Shareholder	Signature Fifth Shareholder	Signature Sixth Shareholder	Signature …….Shareholder

SCHEDULE 1

Details of Shareholders

Name of Shareholders	Registered Address	Authorized signatory

SCHEDULE 2

DEED OF ADHERENCE

THIS DEED OF ADHERENCE entered into _____ day of _____ 2009_ between M/s. _____, a Company/Partnership/Individual having place of residence and registered office address at _____ (the Party of the First Part); and_____, a company incorporated under the Companies Act, 1956, having its Registered Office at _____ (hereinafter referred to as "the Company" 'which expression would include its successors and assigns) of the Second Part.

AND WHEREAS, a Shareholders Agreement dated _____ (the "Shareholders' Agreement") has been entered into between the Company, _____, a company incorporated in India under the Companies Act, 1956 and having its registered office at _____ ("COMPANY") and Shareholders (as detailed in Schedule 1), which Agreement incorporates the terms and conditions of the inter se relationship and terms and conditions on which the management of the Company would be organised;

AND WHEREAS, it is a term of Shareholders' Agreement, each Affiliate of the Party to the Agreement that is going to hold the Shares for and on behalf of the Party shall execute a Deed of Adherence and be bound by the Shareholders' Agreement dated _____, 2009 before becoming members;

AND WHEREAS, it is agreed between all the Shareholders that any future shareholder pursuant to Article 7 of the Shareholders' Agreement (hereinafter called "New Shareholder") or any transferee (hereinafter called "Transferee") from an existing Shareholder shall be bound by the terms and conditions of the Shareholders' Agreement referred above;

NOW THIS DEED WITNESSETH AND IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES :-

1 DEFINITIONS AND INTERPRETATION

Capitalised terms used but not defined in this Deed shall, unless the context otherwise request, have the respective meanings ascribed thereto in the Shareholders' Agreement.

2. COVENANT BY AFFILIATE, TRANSFEREE AND NEW SHAREHOLDER

_____ (Name of Affiliate/Transferee) _____ for itself or any of its Affiliates now or hereafter holding any Shares, hereby undertakes to exercise all of its rights and to perform all of the rights and obligations of _____ (Name of the Party) _____ under the Shareholders' Agreement in accordance with the terms thereof and agrees not to revoke its undertakings and to ensure that the aforesaid designation remains valid and the provisions of this Deed are complied with and are and remain enforceable for so long as it holds any Shares during the terms of the Shareholders' Agreement, Provided that in case of the Affiliate being a foreign shareholder, holding of Shares by it shall not require it to be registered as a Foreign Resident Company with the Government of India, to do business in India and to have a permanent establishment in India or to otherwise become subject to the taxation in India (excluding any withholding taxes for dividend or interest, if applicable for foreign non-resident company shareholder)

_____ (Name of Affiliate/New Shareholder/Transferee, as the case may be) hereby acknowledge that it has hereto fore received a copy of and has read and understood, the Shareholders' Agreement and covenants, thereof and agrees and confirms that it shall be bound by all provisions of the Shareholders' Agreement as if it was an original Party thereto, and the Shareholders' Agreement shall have a full force and effect on it and shall be read and construed to be binding on it.

_____ shall be bound by each and all the obligations of M/s. _____ (Name of Party) _____ and shall represent it as its constituted attorney/authorised representative/proxy in relation to all matters in its capacity as Shareholder.

3. GOVERNING LAW

This Deed shall be governed by and construed in accordance with the laws of the India. The terms and conditions of the Shareholders' Agreement in relation to the provisions regarding arbitration and other terms and conditions shall be deemed to have been incorporated in this Deed and expressly agreed to between the parties hereto.

For and on behalf of Company

Director / Authorised Signatory

For_____

Director / Authorised Signatory

(SHARE SUBSCRIPTION AGREEMENT FOR INTEGRATED FOOD PARKS)

(G.O. Ms. No.105 , Ind. & Com. (Prog.III) Department) , dt.28.07.2016

THIS SUBSCRIPTION AGREEMENT executed at _____ on the _____ day of _____

BY AND BETWEEN

_____, a company incorporated under the Companies Act 1956, having its registered office at _____
(hereinafter referred to as the "**the Company**" or "**the SPV**" which expression, unless repugnant to the context and meaning thereof, shall include its successors and assigns) of the ONE PART;

AND

_____, a Partnership firm/ a Proprietorship concern/ a company incorporated under the Companies Act 1956, having its registered office at _____
_
(hereinafter referred to as the "**First Shareholder**" which expression, unless repugnant to the context and meaning thereof, shall include its successors and permitted assigns).

AND

_____, a Partnership firm/ a Proprietorship concern/ a company incorporated under the Companies Act 1956, having its registered office at _____
_
(hereinafter referred to as the "**Second Shareholder**" which expression, unless repugnant to the context and meaning thereof, shall include its successors and permitted assigns)

AND

_____, a Partnership firm/ a Proprietorship concern/ a company incorporated under the Companies Act 1956, having its registered office at _____
_
(hereinafter referred to as the "**Third Shareholder**" which expression, unless repugnant to the context and meaning thereof, shall include its successors and permitted assigns)

AND

_____, a Partnership firm/ a Proprietorship concern/ a company incorporated under the Companies Act 1956, having its registered office at _____

(hereinafter referred to as the "**Fourth Shareholder**" which expression, unless repugnant to the context and meaning thereof, shall include its successors and permitted assigns)

AND

_____, a Partnership firm/ a Proprietorship concern/ a company incorporated under the Companies Act 1956, having its registered office at _____

(hereinafter referred to as the "**Fifth Shareholder**" which expression, unless repugnant to the context and meaning thereof, shall include its successors and permitted assigns)

AND

_____, a Partnership firm/ a Proprietorship concern/ a company incorporated under the Companies Act 1956, having its registered office at _____

(hereinafter referred to as the "……. **Shareholder**" which expression, unless repugnant to the context and meaning thereof, shall include its successors and permitted assigns

(First, Second, Third, Fourth, Fifth and ….. Shareholder are collectively referred to as the Shareholders)

(The Company and shareholders are collectively referred to as parties)

WHEREAS:

(A) The Government of Andhra Pradesh has launched the Integrated Food Parks Scheme ("IFPS") to establish Integrated Food Parks in various districts of the state. These Integrated Food Parks shall include Core Processing Facilities, Factory Buildings for Micro and Small Enterprises (MSEs), Enabling Basic Infrastructure and Non-Core Infrastructure as per the Guidelines of IFPS.

(B) The responsibility for execution, ownership and management of the Integrated Food Park shall vest with Special Purpose Vehicle (SPV), incorporated as companies under the Companies Act, 1956 and promoted by the promoters which shall primarily have majority stake in the SPV.

(C) Andhra Pradesh Food Processing Society (APFPS) had invited proposals/ expressions of interest from potential stakeholders/ promoters for establishing Integrated Food Parks across the state. In response to the above, the Company/ the Shareholders/a group of entrepreneurs had submitted a proposal to APFPS for setting up an Integrated Food Park at ……(hereinafter referred to as the "Integrated Food Park" or the "Project")

(D) Based on the EOI, APFPS had accorded 'In-Principle' Approval for the Park vide its letter / order no. ---------- dated ----------, a copy of which is attached as **Schedule-I** to this Agreement.

(E) Later, a Detailed Project Report was also submitted to APFPS which envisages total project cost as ……, proposed to be funded through a mix of equity, debt and grant from Government of Andhra Pradesh. The Project envisages an amount of …….as promoters' contribution which needs to be raised by the Shareholders to implement the Project.

(F) Accordingly, for the purpose of implementing the Integrated Food Park, the Shareholder/s have come together to jointly promote the Company to act as the SPV for the Integrated Food Park at ….. (hereinafter referred to "**the Park**" or "**the Project**")

(G) The Shareholders intend to acquire shares of the Company on the terms and conditions specified in this Agreement.

(H) The Parties are desirous of investing in and subscribing to and holding equity shares in the issued and paid up equity share capital of the Company to the extent and in accordance with these presents.

(I) The Parties are accordingly desirous of entering into this Shareholders Agreement recording the terms and conditions governing their respective investment in the equity share capital of the Company and certain related matters including their inter-se understanding in relation to their investment, control and management of the Company and their respective rights and obligations as contained in these presents.

NOW THEREFORE IN CONSIDERATION OF THE PREMISES AND MUTUAL COVENANTS HEREIN CONTAINED, THE PARTIES HEREBY AGREE AND WITNESSETH AS FOLLOWS:

1. DEFINITIONS

1.1 All the capitalized words and expressions in this Agreement shall, unless repugnant to the context or meaning thereof, have the meaning respectively as ascribed to them as contained in these presents.

"Act" shall mean the Companies Act, 1956, or any statutory modification or reenactment thereof for the time being in force and effect.

"Affiliate" or "Associate" means with respect to any Party, any Person which is a holding company or subsidiary of such Party or any person which directly or indirectly, a) owns or controls such Party, b) is owned or controlled by such Party, or c) is owned or controlled by the same person, who directly or indirectly, owns or controls such Party and includes societies, subsidiaries,

group companies and funds under the management of the company. For the purposes of this Agreement, the terms “holding company” and “subsidiary” shall have the meaning ascribed to them under the Companies Act, 1956 and the term “control” shall mean:

a) control over the composition of Board of Directors of an entity; or

b) control of at least 51% of the issued and paid up equity share capital of the company.

"Accounting Year" means the financial year commencing from 1st April of any calendar year and ending on 31st March of the next calendar year

"Agreement" shall mean this Shareholders' Agreement

“Applicable Law” means any statute, law, regulation, ordinance, rule, judgment, order, decree, by-law, approval from any Competent Authority, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing, by any Competent Authority having jurisdiction over the matter in question, whether in effect as of the date of this Agreement or at any time thereafter.

"Auditor" shall mean the statutory auditor of the Company for the time being selected and appointed by the Company

"Board" shall mean the Board of Directors of the Company, as constituted from time to time

“Park” or “Project” means the Integrated Food Park developed/to be developed by the Company at … known as [_____].

“Company/SPV” means_____

“Competent Authority” means any government, any state or other political subdivision thereof, any Entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, or any other government authority, agency, department, board, commission or instrumentality or any political subdivision thereof, and any court, tribunal or arbitrator(s) of competent jurisdiction, and, any governmental or non-governmental self-regulatory organisation, agency or authority; having jurisdiction over any of the Parties to this Agreement or the assets or operations of any of the foregoing, or any of the transactions contemplated hereby.

"Contractor" means the contractor or contractors, if any, with whom the Company _____ has entered / agreed to enter into all or any of the Project Agreements.

"Debt" means the debt part of the Project financing agreed to be provided by the Lenders for the Project.

"Director" shall mean a member of the Board of the Company being duly appointed by the First Shareholder (other than the Company) in accordance with this Shareholders' Agreement.

"Equity Contributions" shall mean, at any time, that aggregate amount actually paid by the shareholders of the Company in respect of the issued, fully paid-up and outstanding equity shares of the Company and any sums paid by the shareholders of the Company as an advance against equity, at such time.

"Financing Documents" means, collectively, the loan agreements, lease agreements, hire purchase agreements, notes, indentures, security agreements or arrangements, guarantees, acceptable letters of credit and other agreements evidencing any obligation of the Company and other necessary undertakings required pursuant to the respective terms thereof, relating to the permanent financing, interim financing or any refinancing for the Project or any portion thereof, in each case as amended, supplemented or otherwise modified hereafter from time to time and includes all documents evidencing Lenders' commitment to finance the Debt.

"Financial Officer" means either the Managing Director/Director in Charge/Chief Executive Officer of the Company or nominee of the Company duly authorised by the Board of Directors of the Company to provide instructions/certificates hereunder.

"General Meeting" means a meeting of the Members.

"Members" shall mean any person whose name appears as such in the Register of members of the Company

"Memorandum and Articles of Association" shall mean the Memorandum of Association and the Articles of Association of the Company and references to the "Memorandum of Association" and "Articles of Association" shall mean the Memorandum of Association and the Articles of Association respectively, of the Company.

"Nominee Director" means a Director who is nominated to the Board by the any shareholder/institution."

"Party" or "Parties" shall mean a Party or more than one Party, as the case may be, to this Shareholders' Agreement but shall not include the Company, where the defined term is used in relation to rights and obligations among the Shareholders, as the context may require.

"Person" shall mean (unless otherwise specified or required by the context), any individual, company, corporation, partnership, joint venture, trust, unincorporated organisation, government or Government Agency or any other legal entity.

"Projects" mean Integrated Food Park, sanction issued by Andhra Pradesh Food Processing Society (APFPS), Government of Andhra Pradesh.

"Project Agreements" means collectively contracts for execution of works for up-gradation / development of infrastructure, contracts for operations & maintenance of infrastructure, escrow / trust & retention account agreements

and any other agreements or contracts entered into by the Company relating to the Project.

“Project Development” means all the activities in respect of a Project commencing from identification up to and including conducting of Project feasibility studies, preparation of detailed project report(s) (DPR), specifications, drawings, financing and contract documents for the Projects to enable implementation of the Project and construction, management and overall process management.

"Lenders" shall mean and include the institutions/banks who have agreed to provide financial assistance to the Company for the Project under the Financing Documents.

“Scheme” or “IFPS” means Integrated Food Parks Scheme in accordance with guidelines published/ to be published by Industries and Commerce Department (Food Processing), Government of Andhra Pradesh, and includes any amendments thereto.

"Shares" shall mean, collectively, (1) all the issued equity shares in the equity share capital of the Company of the face value of Rs. 10/- (Rupees Ten) each, together with (2) any equity shares of the Company that a Member receives at any time with respect to any such equity Shares as a result of any bonus issue, re organisation, or otherwise

“Shareholders” means all the above parties and each of the Shareholders and “Shareholder” means any one of them singly.

"Share Capital" shall mean the authorised equity share capital for the time being of the Company.

"Shareholders' Agreement" shall mean this agreement including all Schedules attached thereto.

"Transferee" shall mean any person to whom or which Shares are transferred in a manner by any Party, hereto as set out in this Shareholders' Agreement and who or which, as a condition to the permitted transfer thereof, agrees in writing and executes a Deed of Adherence in the form contained in Schedule 2 hereof, to be bound by the terms and conditions of this Shareholders' Agreement.

"Transaction Agreements" shall mean and include each of the Project Agreements and the Financing Documents

1.2 Interpretation

a. References to the laws shall mean the applicable laws of the Republic of India.

b. References in the singular form shall include the references in the plural and vice versa.

c. References to a particular article, paragraph, sub-paragraph or appendix shall, except where the context otherwise requires, be a reference to that article paragraph, sub-paragraph or appendix in or to this agreement.

d. The headings are inserted for convenience and are to be ignored for the purpose of construction.

e. The words "include" & "including" are to be construed without limitation.

f. The appendices to this agreement form part of this agreement and will be of full force and effect as though they were expressly set out in the body of this agreement.

g. Whenever provision is made for the giving of notice, approval or consent by any Party, unless otherwise specified such notice, approval or consent shall be in writing and the words "notify", "approve" and "consent" shall be construed accordingly.

h. The validity or unenforceability of any portion or provision of this Agreement shall not affect the validity or enforceability of any other portion or provision. Any invalidity or unenforceable portion or provision shall be deemed severed from this Agreement. The Parties agree in such circumstances to interpret and to negotiate an equitable amendment to the provision of this Agreement to give effect to the underlying purpose of this Agreement.

i. The above recitals form an integral part of this agreement.

j. In this Shareholders' Agreement, the following expression shall unless repugnant to the context or meaning thereof have the meaning hereinafter assigned to them.

2. THE COMPANY

2.1 (1) The Parties acknowledge that the Company has been incorporated under the provisions of the Companies Act, 1956, with its registered office situated at _____. The Company may have such other offices and branches including its administrative office, as may be required from time to time.

(2) The principal objective of incorporation of the Company is to develop and implement the Project (including sub-projects).

2.2 Shareholding

(1) The present authorised share capital of the Company is Rs. _____, divided into _____ equity shares, with a face value of Rupees 10/- (Ten) each. The authorised share capital shall be increased to Rs. ____ divided into _____ equity shares of Rs. 10/- each, to cover further investments on the Project.

(2) The Parties shall ensure that the shareholding of the company and Shareholders in the issued and paid up equity share capital of the Company

shall be in accordance with requirements for the Project, this Agreement and/or the covenants in the Financing Documents. The initial shareholding of the Company shall be as under:

a) First Shareholder, by itself or together with its Associates, shall hold not more than __% shareholding in the issued and paid up equity share capital of the Company; and

b) Second Shareholder, by itself or together with its Associates, shall hold not more than __% shareholding in the issued and paid up equity share capital of the Company; and

c) Third Shareholder, by itself or together with its Associates, shall hold not more than __% shareholding in the issued and paid up equity share capital of the Company; and

d) Fourth Shareholder, by itself or together with its Associates, shall hold not more than __% shareholding in the issued and paid up equity share capital of the Company; and

e) Fifth Shareholder, by itself or together with its Associates, shall hold not more than __% shareholding in the issued and paid up equity share capital of the Company; and

(3) Issued, Subscribed and Paid Up Share Capital

The initial issued and subscribed share capital of the Company is Rs _____ divided into _____ equity shares of Rs 10 each issued for cash at par and is held as follows:

Sr. No.	Name	No. of Shares

3. CONDITIONS TO SUBSCRIPTION

3.1 Subscription by the Parties Upon Increase of Authorised Capital:

In the event of increase in the authorised capital of the Company, having regard to the requirements of the Project, the Parties (other than the Company) shall bring in the funds in proportion of their existing shareholdings in the Company within seven days of receipt of a drawdown notice issued by an authorised official of the Company. The drawdown notice shall specify the amount being sought from each Party (other than the Company) and the proposed

shareholding pattern after drawdown is completed. Prior subscription by the Shareholder shall be a condition precedent for subscription by the Company.

4. EQUITY CONTRIBUTIONS

The Financial Officer of the Company shall notify the Parties (other than the Company) of the order in which they are required to make their respective equity contributions, which shall be in accordance with Clause 3.1. In the event of any change warranted by any circumstances in the order of equity contribution, the Parties shall, by consensus, agree upon the revised order of Equity Contributions.

For any delay in remittance pursuant to the notice beyond the stipulated date as per the notice, the Company shall be entitled to collect interest on the outstanding amount at the prevailing prime lending rate of State Bank of India per annum. The Parties (other than the Company) shall make timely payments such that the disbursements under the loans granted by the Lenders to the Company, if any, is not in any manner delayed/ affected.

5. OBLIGATIONS OF THE PARTIES

5.1 Obligations of the Company

The Company shall:

1. Pursuant to the execution of the Shareholders' Agreement, make the necessary changes to the Memorandum and Articles of Association so as to incorporate, as far as is legally valid and possible, the provisions of this agreement in the Articles;

2. In case there is a variance, discrepancy or inconsistency between the provision of this Shareholders' Agreement and the Memorandum and Articles of Association of the Company, the Company shall effect such amendments in the Memorandum and Articles of Association of the Company as are necessary to eliminate such variance, discrepancy or inconsistency to the fullest extent possible and valid under Applicable Law, as soon as such variance, discrepancy or inconstancy is brought to the attention of the Company;

3. For the purposes of effecting allotments of Shares to the Parties (other than the Company), ensure the requirement of the Applicable Law are complied with prior to the issuance of notice under Article 4;

4. Upon receipt of Equity Contributions, allot the Shares and issue the share certificates within a reasonable time frame.

5. Ensure that the share certificates issued in respect of the Shares issued and allotted to the Parties (other than the Company) contain the legend contained in Article __ hereof;

6. Confirm that the shareholding in the Company by the Parties (other than the Company) are not diluted in any manner, which has not been approved by the COMPANY and their shareholdings are free from encumbrances (i.e. the

Company to confirm having not noted any claim or interest of any other Person on the shareholding of the Parties (other than the Company).

7. Remain in compliance with all the Transaction Agreements at all times and in the event of any breach or likely breach, which in the opinion of the Company is of a material nature in relation to the Project, notify the Parties (other than the Company) with full particulars thereof, as soon as practicable specifying the further course proposed to be undertaken

5.2 Obligations of Shareholders

The Shareholders hereby undertake that they shall, by themselves or through their Affiliates, hold at least 51% of the equity share capital of the Company at all times in case of induction of new shareholders or any other changes in the equity structure of the Company.

All the Shareholders agree to do all acts, deeds, things ---------- within their power to enable the Company to abide the guidelines of IFPS and any other norms or guidelines stipulated by Government of Andhra Pradesh from time to time

The Shareholders shall be responsible for carrying out the following:

(1) Procure & maintain in full force and effect, as necessary, appropriate proprietary rights, licenses, agreements, permissions and applicable permits for materials, methods, processes and systems used in or incorporated into the Project

(2) Be responsible for implementation of the Project, quality, soundness, durability, safety and compliance of the overall Project requirements notwithstanding the appointment by the Company of Contractor(s) to implement the Project/Project Facilities.

(3) Ensure compliance with performance standards at the time of commissioning the Project as per Agreement.

(4) Execute such Financing Documents, agreements and provide necessary guarantees, undertakings and security as may be required or stipulated by the Lenders to the Project.

6. <u>MANAGEMENT</u>

(1) The Company would be managed and controlled by its Board of Directors. The Board shall have the responsibility, power and authority to manage and supervise the business and affairs of the Company in accordance with this Agreement, the Memorandum and Articles of Association of the Company and Applicable Law

(2) (a) Subject to provisions of Section 255 of the Act, that

(i) For so long as First Shareholder holds not less than __% (_____) of the paid-up equity capital of the Company, it shall be entitled to appoint __ (____) persons as its Nominee Directors of the Company.

(ii) For so long as Second Shareholder holds not less than __% (_____) of the paid-up equity capital of the Company, it shall be entitled to appoint __ (____) persons as its Nominee Directors of the Company.

(iii) For so long as Third Shareholder holds not less than __% (_____) of the paid-up equity capital of the Company, it shall be entitled to appoint __ (____) persons as its Nominee Directors of the Company.

(iv) For so long as Fourth Shareholder holds not less than __% (_____) of the paid-up equity capital of the Company, it shall be entitled to appoint __ (____) persons as its Nominee Directors of the Company.

(v) For so long as Fifth Shareholder holds not less than __% (_____) of the paid-up equity capital of the Company, it shall be entitled to appoint __ (____) persons as its Nominee Directors of the Company.

(vi) The appointment or removal of nominee Director/s of company / Shareholders under this Article shall be by notice in writing addressed to the Company and shall take effect forthwith upon such notice being received by the Company from Shareholders.

Subject to the provisions of sub-Article _____ above, for every reduction of __%(__ Percent) shareholding in the paid up equity capital of the Company, the Shareholders shall lose the right to nominate one Director so appointed under clause ____ i.e. the reduction of number of directors will be at the rate of one nominee Director for every __%(____ Percent) reduction in the holding of the paid up equity capital of the Company and the Party's one Nominee Director shall cease to be a Director on and from the date on which the shareholding of such Party (other than the Company), falls by ____%(____ Percent) of the paid up equity capital of the Company.

(b) Each Party (other than the Company) having a right to nominate a director shall have the right to remove any such nominee from office and on a vacancy being caused in such office from any cause whether by resignation, death, removal or otherwise of the person/s so appointed, to appoint another in the vacant place.

(3) The nominee of the Shareholder with the maximum shareholding in the paid-up equity capital of the Company shall be elected as the Chairman of the Board of Directors. In case of equal shareholding by more than one shareholder, the Board of Directors shall collectively elect the Chairman of the Board of Directors. The Chairman shall hold office for such time as the Shareholder appointing him/Board of Directors stipulates at the time of appointment.

(4) The Chief Executive Officer of the Company will be nominated by the Company. The Parties (other than the Company) hereby agree to instruct their nominee directors to cast their votes in favour of the Person nominated by company for enabling his appointment as Chief Executive Officer and undertake to ensure the compliance of their nominee directors with the terms of

this Sub Clause. The Chief Executive Officer/ would be responsible for the day to day management of the Company, subject to superintendence, control and direction of the Board.

7. TRANSFER AND ENCUMBRANCE OF SHARES

7.1 Notwithstanding the Listing Agreement to be entered into in respect of the listing of the equity shares of the Company and subject to the provisions hereinafter contained the Parties hereby agree that the transfer of the shareholding of the Parties (other than the Company) shall be subject to the following provisions:

(i) The Parties (other than the Company) shall not transfer or dispose of its respective shareholdings, or any part or parts thereof, in the Company in any manner whatsoever except as hereinafter expressly provided;

(ii) The Parties (other than the Company) shall not, at any time, create any charge mortgage, lien or pledge over or hypothecate or encumber in any manner their respective Shares, whether in whole or in part or at any time or in any manner grant options in respect of its respective shares or any part or parts thereof as a result of which the rights and obligations accruing to under this Agreement should be altered, varied or modified in any manner whatsoever

(v) The Parties (other than the Company) agree that they shall not at, any time when any or all of the Lenders to the Company have dues outstanding from the Company, transfer their shares in the Company without the prior written consents of the Lenders if so required under the Financing Documents.

(vi) The restrictions specified above shall not apply for creation of pledge security over the shares of the Company in favour of the Lenders, if so stipulated by the Lenders.

7.2 Right of First Refusal

(i) The Parties hereby agree that when a Party hereto (other than the Company), were to decide to sell their shares, or any part or parts thereof, in the Company (the "Offering Party"), it would offer the first right of purchase/ refusal to the Parties (other than the Company), in proportion to their equity holding, at the fair market price determined as set forth in Paragraph (ii) below. If the Parties (other than the Company) agree to purchase such Shares in full or parts thereof, as the case may be, such Shares or part thereof shall be transferred to the Parties (other than the Company) in proportion to their then existing shareholdings, at the relevant point in time. In addition to the Shares offered according to the proportionate entitlement, in the event that any of the Parties (other than the Company) does not accept the offer, the Parties (other than the Company) accepting the offer shall be offered the remaining Shares. If none of the other Parties (except the Company) accepts the offer within sixty (60) days of the determination of the fair market price by the auditors/valuers in accordance with paragraph (ii), then the Offering Party shall sell the shares or the part or parts thereof, as the case may be to a third party or parties that may be agreed upon by the remaining Parties (excluding the Company), or where the said remaining Parties are unable to agree upon such a third party or parties within a period of 30(thirty) days, to a third party or parties who is or are

nominated by the Offering Party. Provided that under no circumstances shall the sale-price of the Shares and the terms and conditions upon which the shares are proposed to be sold to such third party or parties be less favourable than that on which they were offered to the other Parties (excluding the Company) who had refused, unless they are once again offered to the Party or Parties who so refused first. For the purposes of this Clause a Party receiving the offer can accept itself or procure the acceptance by its Affiliate;

(ii) For the purpose of determining the price to be paid for the Shares offered in terms of Clause (i) above, all the Parties (excluding the Company) shall abide by the value determined by the Statutory Auditor of the Company who shall determine the fair market price of the Shares by, inter-alia, taking into account the net worth, the earning capability and, if applicable, average daily price of the Shares ruling for a period of at least six (6) months on the Stock Exchange(s) on which the shares are quoted or by such other methods as may be acceptable to all Parties (excluding the Company) and the Company shall be bound to extend all necessary and appropriate assistance to such Auditor or valuer in determining the fair market price.

(iii) In the event of acceptance, by one or any of the Parties (excluding the Company), of the offer of the Offering Party to sell the Shares held by it or any part or parts thereof, as the case may be ("the Purchasing Party/ies"), the sale of Shares shall be completed and full payment of the price thereof be made by the Purchasing Party/ies, within thirty (30) days of the date of acceptance of the offer or the receipt of the requisite approvals, whichever is later. In the event of default in the payment of the said sale price, the Offering Party shall be free to sell the shares to any other Party (excluding the Company) or Parties (excluding the Company), or if no other Party or Parties is or are willing to purchase such Shares, or such part or parts thereof, to such third party or parties as are nominated in accordance with Sub-Clause 9.4(i) above at the cost, risk, and responsibility of the defaulting Party/ies. All transfers by any such Offering Party shall be subject to Applicable Law and any covenants under the Financing Documents.

(iv) Notwithstanding any other provisions of this Shareholders' Agreement, each of the Parties (excluding the Company) to this Shareholders' Agreement may, at any time, transfer its shares and/or assign its rights and obligations hereunder to an Affiliate, provided that:

Such transferring Party has provided 30(thirty) days prior written notice of its intention of such transfer to all other Parties and if such transferring Party is required to obtain a written consent of all the Lenders of the Company permitting the transfer has obtained the necessary consent;

Such Affiliate and /or third party is not in receivership, bankruptcy, insolvency, dissolution, liquidation or any similar proceeding;

The transferring Party has prior to such transfer or simultaneously therewith, effected the execution by such Affiliate and / or third party of a deed of adherence, substantially in the form annexed hereto as Schedule 2, whereby the Affiliate and /or third party unconditionally agrees to be bound by all the provisions of this Shareholders' Agreement, including but not limited to such provisions of this Shareholders' Agreement as constitute agreements relating to voting and restrictions on transfer of Shares;

The Affiliate and/or third party transferee complies with the time limit for payment as provided for in this Shareholders' Agreement, and

(v) Save and except by means of transfer of shares as permitted in this Article, the Parties by themselves or through their Affiliates (excluding the Company) hereto will not acquire Shares in the open market or otherwise, by which the percentage of shareholding indicated in Article 2 hereinabove will be altered. Provided, however, that any Party or its Affiliate (excluding the Company) may acquire Shares in the open market or otherwise which alters the said percentage, with prior written consent of all other Parties (excluding the Company) on such terms and conditions as may be mutually agreed upon by them.

(vi) The percentage of shareholding of each Party (excluding the Company) in the Company for the purpose of exercise and termination of rights of each Party under this Shareholders' Agreement shall be the aggregate of the shareholding of each of the Party (excluding the Company) and its Affiliates

8. LEGEND

The Parties hereby agree that each share certificate (evidencing the shares held by them) shall bear the following legend impressed on each such certificate, by way of a rubber stamp:

"The shares, or other securities constituting shares, represented by this certificate are subject to restrictions including, but not limited to, restrictions upon voting rights attaching hereto and transferability hereof, which are detailed and set out in a Shareholders' Agreement dated _____.

9. CO-OPERATION

The Parties hereto agree that all provisions of this Shareholders' Agreement, including specifically, but not limited to, the agreements incorporated herein relating to exercise of voting rights and restrictions on the transferability of shares, are binding upon them and further agree that they shall at all times and in every manner co-operate to give effect to the provisions of this Shareholders' Agreement in general and to the provisions of the voting contained in this Shareholders' Agreement

10. AMENDMENT OF THE ARTICLES AND ASSOCIATION OF THE COMPANY

The Parties hereto agree that they shall render all necessary assistance and initiate such actions to effect all necessary amendments in the Articles of Association of the Company so as to incorporate, as far as is legally valid and possible the provisions of this Shareholders' Agreement in the articles.

11. DURATION, TERMINATION AND LIMITATIONS

11.1 This Shareholders' Agreement shall remain valid until it is terminated in accordance with the provisions hereof with reference to any Party hereto or if any of the Parties withdraws its shareholding in the Company by way of

transfer or sale in accordance with the provisions of this Shareholders' Agreement, or if any Party is declared to be insolvent or ordered to be wound up, this Shareholders' Agreement shall stand terminated with reference to such Party only

11.2 The termination of this Shareholders' Agreement shall be without prejudice to any claims or rights of action of any Party previously accrued to it against the other Parties

11.3 For the purpose of this Article the shareholding of a Party in the paid-up equity Shares of the Company shall mean and include the shareholding of their respective Affiliates or assigns, if any.

11.4 The shares held by either of the Parties hereto or their respective Affiliates and Permitted Assigns shall notwithstanding the winding up or liquidation of the holder thereof, be always subject to the restrictions and constraints and obligations contained herein including but not limited to restrictions on transfer and pre-emption obligation as contained in this Share-holders' Agreement

11.5 No modification or amendment of this Shareholders' Agreement and no waiver of any of the terms or conditions hereof shall be binding unless made specifically in writing duly executed by the authorised representatives of all the Parties

11.6 Notwithstanding the termination of this Shareholders' Agreement for any reason whatsoever the provisions relating to the right of first refusal contained in this Shareholders' Agreement shall survive such termination and shall remain in full force and effect

11.7 Consequences of Termination:

a) The termination of this Agreement shall be without prejudice to any claims or rights of action of any Shareholder previously accrued to it against the other Shareholders

b) The Parties shall in accordance with the provisions of Indian Specific Relief Act 1963 applicable in the matter be entitled to specific performance of the terms of this Shareholders' Agreement including the rights and obligations contained in this Shareholders' Agreement governing the exercise of their respective voting rights at the meetings of the Board of Directors and General Meetings of the Shareholders of the Company

c) In the event of termination, the Parties whose participation is terminated shall return or destroy (and shall submit satisfactory evidence of such destruction to the other Parties) of all information derived by virtue of this Shareholders' Agreement, without retaining any duplicate or replicated copy except as permitted by the Party supplying such information;

d) Notwithstanding the termination of this Agreement for any reason whatsoever, the provisions of Clauses 13.10 (Indemnity Clause) and 15 (Confidentiality) shall survive such termination and shall remain in full force and effect

12. ARBITRATION

12.1. In the event of any dispute arising among the Parties hereto or any of the parties hereto under or in connection with this Shareholders' Agreement, the Parties hereby agree that:

(i) They shall use their best efforts to settle such dispute, and, to this end, any Party may notify all other Parties of its desire to initiate the settlement procedure contemplated by this Clause, whereupon all Parties shall forthwith, and at any rate not later than 30 (thirty) days of such notification, convene to resolve such dispute through amicable and good faith discussions. Should the Parties be unable to so resolve within 30 (thirty) days of the commencement of discussions, the dispute shall be submitted to a panel consisting of designees of each Party, provided that such designees are not Directors or Officers of the Company. The designees shall consult and negotiate with each other is an effort to reach a just and equitable solution that is acceptable to all Parties.

(ii) If the designees do not reach a solution within a period of thirty (30) days following the beginning of their consultations and negotiations, any Party that is involved in the dispute may treat the same as an arbitrable dispute by giving notice to the Company and the other Parties, in which case the dispute shall be submitted to a final and guiding arbitration in accordance with the provisions contained hereinafter.

(iii) If the dispute arises between any two or more of the Parties hereto the dispute shall be referred to a panel of arbitrators consisting of one arbitrator appointed by the Petitioner in party or parties, as the case may be, one arbitrator appointed by the respondent party or respondent parties, as the case may be, and one arbitrator appointed by the arbitrators (the "Umpire") appointed by the petitioner and respondent party/ies respectively. The seat of arbitration shall be at …….., India, the proper law of arbitration shall be Indian Law, and the arbitration shall be conducted in accordance with the Indian Arbitration and Conciliation Act, 1996.

12.2 All arbitral awards given in respect of disputes referred to arbitration in accordance with the provisions of this Clause 13 shall be final and binding on all Parties concerned.

12.3 All arbitration proceedings conducted pursuant upon this Article shall be conducted in the English Language.

13. REPRESENTATIONS AND WARRANTIES

Each of the Parties hereby represents and warrants as follows:

13.1 Each is a legal entity duly organised and validly existing under the laws of the jurisdiction in which incorporated and has the corporate power and/or authority to carry on its Business and/or perform its functions.

13.2 Each has all necessary power and authority to execute and deliver this Shareholders' Agreement, each of the other documents referred to in this Agreement to which it is a party and to act as a shareholder of the Company. The execution and delivery of this Shareholders' Agreement has been duly and

validly authorised by their respective governing body/Board or Directors and no other proceedings on their part are necessary to authorise execution of this Shareholders' Agreement

13.3 The execution and delivery of this Shareholders' Agreement does not and will not contravene; (i) any provisions of the respective Memorandum and Articles of Association of or charter, as the case may be; (ii) result in a default or give rise to any right of termination, cancellation or acceleration under any of the terms, conditions or provisions of any material indenture, mortgage, note, lien, license, government registration, contract, lease, agreement or other instrument or obligation to which it is a party or by which the Company or the Promoters may be bound; or (iii) violate any law, order, writ, judgement, injunction, decree, statue, ordinance, rule or regulation applicable to it

13.4 Each Party has all necessary consents, licenses and approvals in connection with the entry into, and performance of its obligations under this Agreement and as a shareholder in the Company

13.5 The recitals to this Shareholders' Agreement are true and accurate in so far as the recitals relate to the Parties.

13.6 The Parties hereto confirm the enforceability of these presents inter-se

13.7 The Parties hereto would fully co-operate with each other with regard to the implementation of the Project of the Company as required under this Agreement

13.8 This Shareholders' Agreement is personal to the Parties hereto and none of them shall assign their respective rights, benefits and obligations hereunder except as otherwise expressly provided herein or agreed in writing by the Parties

13.9 Nothing in this Shareholders' Agreement shall be deemed to constitute a partnership between the Parties or constitute any Party the agent of the other Party for any purpose or entitle either Party to commit or bind the other Party (or any of its Affiliates) in any manner, or grants a right for any Party to use the name, trademark or logo script or the name of any Affiliate thereof.

13.10 Indemnification

Shareholders shall indemnify and keep harmless the Company from any action, proceeding, loss, damage, costs, charges and expenses which may be incurred or suffered by the Company as a result of any breach by Shareholders as the nominated O&M Contractor of O&M Contract or any other contract by which it is bound.

14. CONFIDENTIALITY

14.1. Each Party hereby agrees to hold in strictest confidence and do not reveal or disclose to any third party:

(i) Any and all information relating to the business affairs or property of other Parties or of the Company or any affiliates or group concerns of the Parties or the Company, obtained directly or indirectly, whether orally or in writing;

(ii) Any and all analysis, blue prints, surveys, compilations, studies, projections, documents and records prepared by the Company or by any other Party, their advisers or representatives, and any material that may be developed or generated from any confidential data, information or matters;

(iii) Any and all technical, economic, business or market studies or plans prepared by any or all of the Parties; before, during and after the term of this Shareholders' Agreement, except:

a) If such information has already and conclusively become public knowledge independent of the of the disclosing Party or Parties;
b) If such disclosure is mandated by operation or process of law; or
c) If the disclosure of such information has been permitted by all the Parties or by the concerned Party in writing.

Provided that in all cases of disclosure of confidential information as detailed in sub-Clauses (a), (b) and (c) above, written permission has to be obtained from all Parties or the concerned Parties, as the case may be.

14.2. This Article shall survive the termination of this Shareholders' Agreement in accordance with the procedure prescribed therefor in Article 11 of this Shareholders' Agreement.

15. MODIFICATIONS

The Parties hereby agree and acknowledge that the Company is required to obtain consent of the terms and conditions of this Shareholders' Agreement from the Lenders, pursuant to the terms of their respective sanctions. The Parties shall, after due negotiations, carry out such modifications to this Shareholders' Agreement, if any, as may be required by any of the Lenders.

16. NOTICES

Any notice required or permitted to be given hereunder shall be in writing and sent by Registered Mail, Postage Prepaid, by Facsimile or Telex and shall be addressed to the nominated official of the parties at the addresses set out hereinafter or such other addresses as any of the Parties may from time to time designate by notice in writing to the other parties.

1. To Company

2. To Shareholders

As detailed in Schedule I

Notice as provided herein shall be deemed to be served on the expiry of five (5) days from the date of its being mailed, or on the date it is sent by Facsimile or Telex, provided such Fascimile or Telex is sent during normal business hours of the addressee, failing which, it shall be deemed to be received on the immediately following working day.

17. ASSIGNMENT

This Shareholders' Agreement would be binding upon and would inure to the benefit of the Parties, their successors and permitted assigns, provided that neither this Shareholders' Agreement nor any interest herein nor any rights or obligations hereunder, may be assigned or transferred, save as otherwise hereunder provided, in whole or in part by any party without the consent of the other parties in writing

18. PARTIAL INVALIDITY

In the event that any one or more of the provisions contained in this Shareholders' Agreement shall be invalid, illegal or unenforceable in any respect under any applicable law, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby

19. GOVERNING LAW & JURISDICTION

This Shareholders' Agreement shall be governed by and construed in accordance with the laws of India and subject to the provisions of Article 12 hereinabove, the Courts of …….. shall have exclusive Jurisdiction

This Agreement is drawn in ___copies with equal legal strength and status. The Company and Shareholders hold a copy each. Stamp duty of Rs. _____/- is paid on the copy to be kept with the Company and on the duplicate copies Stamp duty of Rs. ____/- is paid. The Company shall furnish copies of executed Agreement to each of the Shareholders.

IN WITNESS WHEREOF, the Parties hereto have executed this Shareholders' Agreement at _____ on the day and year first above written

The Common Seal of the Company was affixed hereunto in the presence of Director Director	Signature First Shareholder	Signature Second Shareholder	Signature Third Shareholder
Signature Fourth Shareholder	Signature Fifth Shareholder	Signature Sixth Shareholder	Signature …….Shareholder

SCHEDULE 1

Details of Shareholderss

Name of Shareholders	Registered Address	Authorized signatory

SCHEDULE 2

DEED OF ADHERENCE

THIS DEED OF ADHERENCE entered into _____ day of _____ 2009_ between M/s. _____, a Company/Partnership/Individual having place of residence and registered office address at _____ (the Party of the First Part); and_____, a company incorporated under the Companies Act, 1956, having its Registered Office at _____ (hereinafter referred to as "the Company" 'which expression would include its successors and assigns) of the Second Part.

AND WHEREAS, a Shareholders Agreement dated _____ (the "Shareholders' Agreement") has been entered into between the Company, _____, a company incorporated in India under the Companies Act, 1956 and having its registered office at _____ ("COMPANY") and Shareholders (as detailed in Schedule 1), which Agreement incorporates the terms and conditions of the inter se relationship and terms and conditions on which the management of the Company would be organised;

AND WHEREAS, it is a term of Shareholders' Agreement, each Affiliate of the Party to the Agreement that is going to hold the Shares for and on behalf of the Party shall execute a Deed of Adherence and be bound by the Shareholders' Agreement dated _____, 2009 before becoming members;

AND WHEREAS, it is agreed between all the Shareholders that any future shareholder pursuant to Article 7 of the Shareholders' Agreement (hereinafter called "New Shareholder") or any transferee (hereinafter called "Transferee") from an existing Shareholder shall be bound by the terms and conditions of the Shareholders' Agreement referred above;

NOW THIS DEED WITNESSETH AND IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES :-

1 DEFINITIONS AND INTERPRETATION

Capitalised terms used but not defined in this Deed shall, unless the context otherwise request, have the respective meanings ascribed thereto in the Shareholders' Agreement.

2. COVENANT BY AFFILIATE, TRANSFEREE AND NEW SHAREHOLDER

_____ (Name of Affiliate/Transferee) _____ for itself or any of its Affiliates now or hereafter holding any Shares, hereby undertakes to exercise all of its rights and to perform all of the rights and obligations of _____ (Name of the Party) _____ under the Shareholders' Agreement in accordance with the terms thereof and agrees not to revoke its undertakings and to ensure that the aforesaid designation remains valid and the provisions of this Deed are complied with and are and remain

enforceable for so long as it holds any Shares during the terms of the Shareholders' Agreement, Provided that in case of the Affiliate being a foreign shareholder, holding of Shares by it shall not require it to be registered as a Foreign Resident Company with the Government of India, to do business in India and to have a permanent establishment in India or to otherwise become subject to the taxation in India (excluding any withholding taxes for dividend or interest, if applicable for foreign non-resident company shareholder)

_____ (Name of Affiliate/New Shareholder/Transferee, as the case may be) hereby acknowledge that it has hereto fore received a copy of and has read and understood, the Shareholders' Agreement and covenants, thereof and agrees and confirms that it shall be bound by all provisions of the Shareholders' Agreement as if it was an original Party thereto, and the Shareholders' Agreement shall have a full force and effect on it and shall be read and construed to be binding on it.

_____ shall be bound by each and all the obligations of M/s. _____ (Name of Party) _____ and shall represent it as its constituted attorney/authorised representative/proxy in relation to all matters in its capacity as Shareholder.

3. GOVERNING LAW

This Deed shall be governed by and construed in accordance with the laws of the India. The terms and conditions of the Shareholders' Agreement in relation to the provisions regarding arbitration and other terms and conditions shall be deemed to have been incorporated in this Deed and expressly agreed to between the parties hereto.

For and on behalf of Company

Director / Authorised Signatory

For_____

Director / Authorised Signatory

(PMC AGREEMENT FOR MEGA FOOD PARKS)

(G.O.Ms. No.105 Ind. & Com. (Prog.III) Dept., dt:28 .07.2016)

MEMORANDUM OF AGREEMENT

Between

(SPV)

AND

(PMC)

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement has been entered into at ------ on this ------ of **-------**

Between

(The Lead Promoter of the Proposed SPV) a company incorporated in India underthe Companies Act, 2013 and having its registered office at ---------- (hereinafter referred to as **"SPV",** which expression shall unless repugnant to the context thereof, include its successors, assigns) of the **FIRST PARTY**

And

(NAME OF PMC), a company incorporated in India under the Companies Act,2013 and having its registered Office at ---------- (hereinafter referred to as "**PMC**", which expression shall include its successors, assignees and subsidiaries under its management) of the **SECOND PARTY**;

SPV and PMC are hereinafter individually referred to as "**the Party**" and collectively "**the Parties**"

WHEREAS

(A) SPV proposes to establish a Mega Food Park which shall include Core Processing Facilities, Factory Buildings for Micro and Small Enterprises (MSEs), Enabling Basic Infrastructure and Non-Core Infrastructure as per the Guidelines of Mega Food Parks Scheme (MFPS) and in line with Detailed Project Report approved byAndhra Pradesh Food Processing Society (APFPS), Government of Andhra Pradesh(hereinafter referred to as the "Mega Food Parks" of the "Project"). Mega Food Park shall also include the PPCs / CCs and other components as prescribed in the guidelines of the APFPS.

(B) SPV proposes to set up the Mega Food Park on ----acres of land at---------- -- for the Central Processing Centre of the Mega Food Park. Further, SPV has taken possession of /shall take possession of land at various locations for setting up Primary Processing Centres (PPCs)/Collection Centres (CCs) of the Mega Food Park.

(C) SPV is in need of the following expert services/assistance as a single window option in the form of a PMC for setting up its Mega Food Park in ____ from Concept to commissioning basis, in order to ensure speedy and efficient execution of the Project:

(a) Assist SPV in finalizing business plan and preparing detailed project report for the project as per guidelines of the scheme and requirements of bank and financial institutions providing term loan for the project.

(b) Plan and develop a techno commercially viable Mega Food Park with its CPC/PPC & other components having an excellent potential to successfully support investments to be made by the Promoters of SPV through their own resources, bank debts &Government of Andhra Pradeshgrants.

(c) Detailed engineering and design including preparation of detailed cost estimates for various project components/facilities.

(d) Preparation of bid documents, selection and appointment of contractors/equipment suppliers/consultants, in a transparent manner, for project construction and supply of plant and machinery.

(e) Monitoring and overseeing the work output of the contractors/equipment's suppliers/consultants in compliance of the terms and conditions of the contracts/appointments with the objective of ensuring quality, completeness and compatibility of the work carried out in relation to the Project.

(f) Prepare all necessary documentation for submission to APFPSin order to facilitate timely release of funds sanctioned under MFPS.

(g) Assistance to SPV in submission of monthly progress reports to APFPSin prescribed format.

(h) Ensuring efficient utilisation of these funds to create good quality infrastructure assets without extra cost and time overruns

(D) The Parties hereto have agreed to record their understanding, agreed terms and conditions as and by way of this Memorandum of Agreement (hereinafter referred to as "**Agreement**") for the same.

NOW THEREFORE IT IS HEREBY AGREED BETWEEN THE PARTIES TO ENTER IN AN AGREEMENT (MOA), HERETO AS UNDER:

(1) **The Recitals shall be construed as part of this Agreement.**

(2) **Vision**

SPV and PMC share a common vision of setting up a Mega Food Park with supporting infrastructure, which would help the SPV in benefiting from higher standard of infrastructure facilities and meeting compliance norms

(3) Purpose

The objective of this arrangement is to synergize professional competency of PMC with entrepreneurial skills of SPV in development of a Mega Food Park in keeping with the guidelines of MFPS and in line with Detailed Project Report approved by APFPS

(4) Role of PMC

In order to achieve the above-mentioned purpose, PMC would act as a single point option as "Project Engineering and Management Advisor" to assist SPV in development and implementation of the Project from commissioning basis and shall provide the following services (the "**Services**"):

(i) Project Planning, Engineering and Procurement

(a) PMC shall provide assistance to SPV for carrying out surveys/studies and getting statutory clearances from concerned government agencies required before start of project construction as follows ::

(1) Assistance in preparation of application to State Pollution Control Board for 'Consent to Establish' for submission by the SPV

(2) ToR for consultant to be appointed for Environmental Clearance (If applicable)/Other ToRs for technical surveys/studies required for the Project

(3) Assistance in preparation of application to SEB for power supply and distribution for submission by the SPV

(4) Preparation of final version of Master Plan and assist SPV in getting requisite approval from local Town and Country Planning Authority

(5) Preparation of Project Implementation Schedule in line with approval for the Project given by APFPS

(b) SPV is in need of expert services/assistance as a single window option for setting up its Mega Food Park in _____ from Concept to commissioning basis, in order to ensure speedy and efficient execution of the project. PMC would provide its professional expertise & experience to provide these services to SPV for developing implementing & successful commissioning of such a techno commercially viable projects for SPV in the Mega Food Park (CPC, PPC & CC) providing turn key consultancy services.

(c) PMC would carry out detailed engineering of the Project including designing, detailed drawings, preparation of detailed cost estimates of the various infrastructure and other facilities, estimation of item wise quantities (BOQ), preparation of bid documents, bid process management, assisting SPV in selection and appointment of consultants/contractors/equipment suppliers, preparation and execution of construction/supply contracts to facilitate commencement of Project construction as per the Project Implementation Schedule. The detailed engineering design and preparation of tender would include following tasks:

(1) Understanding requirements of the SPV, preparation of plans

(2) Discussion with SPV on specifications of Core processing facilities, basic infrastructure, factory sheds and other items

(3) Based on the plans and specifications approved by the SPV, engineers‟ cost estimates would be prepared, based on prevailing Schedule of Rates (SoR) for the districts. However, all outsourced services to be hired by PMC for design & engineering of different components of MFP will be duly ratified/ approved by SPV as per its policy & procedures.

(4) After approval of costing by SPV, Tender document would be prepared by PMC and the terms and conditions of the tender would be decided in consultation with the SPV

(5) Accordingly, tender would be floated, bids would be received and opened as per the transparent procedure laid down by the SPV, PMC shall provide assistance to the SPV in negotiation and finalisation of the tender

(6) Preparation of cost estimates and tender largely depends upon the flow of information from SPV. Therefore, SPV shall be responsible for providing details of their requirements in terms of facilities to be created, its sizing and capacities, any special technology to be adopted etc. to PMC which would be critical to ensure early completion of design, engineering and tendering process

(7) To ensure efficiency of operations, following tender packages may be considered for

i. Central Processing Centre:

- Compound wall and site grading
- Core Processing Facilities(can be divided in several packages) + Non-core Infrastructure
- Factory buildings for MSEs
- Common Infrastructure along with road
- Electrical transmission &distribution
- STP/ETP

ii. Primary Processing Centres/Collection Centres (Centre-wise) Same as mentioned for CPC

However, the size, combination and priority of tender packages would be decided by SPV in consultation with PMC.

(ii) Project Management & Supervision

(a) **Project Management and Supervision during Project Construction:** After appointment of the contractors/suppliers, PMC shall intensively supervise the work output of the contractors/suppliers/consultants with the objective of ensuring compliance of quality, completeness and compatibility of the work output with the construction/supply contracts.

(b) **Release of Grant Funds**: PMC shall prepare all necessary documentation for submission to APFPS in order to facilitate release of funds sanctioned under the MFPS

(c) **Liaison for External Infrastructure:** PMC shall assist the SPV in its meetings/interactions with Government agencies for the purpose of developing the Mega Food Park, like water supply, external infrastructure for approach roads and other related utilities and amenities

(d) **Other assistance to the SPV:** PMC shall along with the SPV attend all the meetings convened by APFPS, Government of Andhra Pradesh and other relevant authorities during the project implementation

process and address all the enquiries by them and provide clarifications as sought

(5) Role of SPV

(i) ***Capitalization of Project SPV:***SPV shall arrange to capitalize itself through infusion of requisite equity from its shareholders

(ii) ***Land for Project:*** SPV shall procure all lands for the project from the State Government or competent authorities or private parties, as the case may be

(iii) ***Techno-Commercial and Financial Data:***SPV shall provide allnecessary techno-commercial & financial information that is relevant to the development and commissioning of the Project

(iv) ***Release of Work Orders etc:*** SPV shall in consultation with PMC finalise and approve its requirements related to the Project, release work orders for topographical, geo-technical, hydro-geological surveys and construction works and take requisite steps as may be required for implementation of the Project

(v) ***Statutory Approvals:*** SPV shall obtain key statutory approvals/clearances including environmental clearances, which are prerequisite to commencement of the Project. PMC will assist SPV in obtaining the same.

(vi) All decisions regarding all matters related to development of the Mega Food Park would be finalised on approval by the Board of the SPV or any such person authorised by the Board of the SPV and decision of SPV will be final.

(6) Deployment of Sufficient Resources by PMC

In view of the key role of the PMC in ensuring implementation of the Project and range and scale of services required for this purpose, PMC would deploy dedicated and sufficient personnel for the project which would be responsible for meeting the timelines given in the Project Implementation Schedule. PMC has thus, in discussion with SPV, would decide the number of person days/months required for various services, as mentioned at Para (4) for completion of the Project and agreed to deploy personnel/experts as per the Personnel Schedule, given as Annexure of this Agreement.

(7) PMC Fees & other charges

In consideration of the services rendered/agreed to be rendered by PMC under this Agreement, as mentioned at Para (4) above, SPV shall pay professional

fees of Rs_ _ _ _ _ _ plus applicable taxes and duties to PMC as per the following schedule:

#	Activity	Milestone	Payment To be made (Rs. In Lakh)	Total Amount (Rs. In Lakh)
	Total Fees			

(8) Commencement & Indicative Time Frame for Completion

PMC shall commence its work for the Project immediately on signing of the Agreement and shall endeavour to complete the assigned tasks within the time lines as mutually agreed from time to time. If there is a failure or breach or delay in completion of the assigned tasks by PMC on account of any reasons or failure or defaults attributable to SPV and the statutory agencies, if any, the timelines for completion of those assigned tasks shall be extended till compliance of the requirements by SPV and others, and the same shall not be considered as breach or failure by PMC

(9) Validity

This Agreement will be valid until it is expressly terminated by either Party on mutually agreed terms, during which period SPV, as the case may be, and PMC will take effective steps for implementation of this Agreement. Any act on the part of SPV and PMC, after termination of this Agreement by way of communication, correspondence etc., shall not be construed as an extension of this Agreement. The Agreement would be valid for ……..from the date of signing of this Agreement unless mutually extended by both the parties

(10) Modification

Modification of the terms and conditions of this MOA, including any modification of the scope of the Services or of the fees, may only be made by written agreement between the Parties

(11) Force Majeure

(i) Definition

For the purposes of this MOA, "Force Majeure" means an event which is beyond the reasonable control of a Party, and which makes a Party's performance of its obligations under the MOA impossible or so impractical as to be considered impossible under the circumstances

(ii) No Breach of MOA

The failure of a Party to fulfill any of its obligations under the MOA shall not be considered to be a breach of, or default under this MOA insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event (i) has taken all reasonable precautions, due care and reasonable alternative measures in order to carry out the terms and conditions of this MOA, and (ii) has informed the other Party as soon as possible about the occurrence of such an event

(iii) Extension of Time

Any period within which a Party shall, pursuant to this MOA, complete any action or task, shall be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure

(12) Suspension/Termination

(i) Suspension of Payments by SPV

SPV may by written notice of suspension to PMC, suspend all payments to PMC here under (except in relation to those Services, which have been performed) if PMC fails to perform any of their obligations under the MOA, including carrying out the Services, provided that such notice of the Suspension (i) shall specify the nature of the failure and (ii) shall request PMC to remedy such failure within a period not exceeding thirty (30) days or such other extended time as may be mutually agreed upon, after the receipt by PMC of such notice of suspension

(ii) Termination by SPV

SPV may terminate this MOA, by not less than thirty (30) days‟ written notice of termination to PMC, to be given after the occurrence of any of the events specified below:

(a) if PMC does not remedy a failure in the performance of their obligations under the MOA, within thirty (30) days of receipt after being notified or within such further period as SPV may have subsequently approved in writing;

(b) if PMC becomes insolvent or bankrupt;

(c) if, as the result of Force Majeure, PMC is unable to perform a material portion of the Services for a period of not less than sixty (60) days; or

(iii) Termination by PMC

(a) PMC may terminate this MOA, by not less than thirty (30) days" written notice to SPV, provided such notice is given after the occurrence of any of the events specified below :(a) if SPV fails to pay any monies due to PMC pursuant to this MOA and not subject to dispute pursuant to Clause 12 hereof within forty-five (45) days after receiving written notice from PMC that such payment is overdue; or

(b) if, as the result of Force Majeure, PMC is unable to perform a material portion of the Services for a period of not less than sixty (60) days

(c) if SPV fails to comply with its obligations within the mutually agreed time lines

(ii) Payment upon Termination

Upon termination of this MOA pursuant to Clause 12 (ii) or (iii), SPV shall make the following payments to PMC:

(a) Professional Fees pursuant to Clause (7) for Services satisfactorily performed prior to the effective date of termination; and

(b) In case of termination pursent to Clause 12 (ii) (c) of this MOA on account of Force Majeure period for not less than 60 days, reasonable costs incidental to the prompt and orderly termination of the MOA shall be reimburse in addition to the Professional Fees under Clause 12 (iii) (a) above;

(13) Arbitration

(i) It is hereby agreed between the Parties that the Project shall be executed in the manner and form outlined in this Agreement. If any dispute or difference of any kind whatsoever arises between the Parties in connection with or arising out of or relating to or under this Agreement, the Parties shall promptly and in good faith negotiate with a view to its amicable resolution and settlement. In the event no amicable resolution or settlement is reached within a period of thirty (30) days from the date on which the above-mentioned dispute or difference arose, such dispute or difference shall be referred to a panel of arbitrators. The panel of arbitrators shall consist of three persons. Each Party hereto shall appoint one arbitrator and the two arbitrators so appointed shall together appoint the third arbitrator, who shall function as the presiding arbitrator. The seat of arbitration shall be ------- and the arbitration shall be conducted in the English language. The Arbitration and Conciliation Act, 1996 and any amendments thereof, shall govern arbitral proceedings

(ii) The existence of any dispute or difference or the initiation or continuance of the arbitral proceedings shall not postpone or delay the performance by the Parties of their respective obligations under or pursuant to this Agreement. Further, this Agreement shall remain subsisting and operative during the arbitral proceedings and no payment due and payable to either Party shall be withheld except the payment in dispute, if any

(iii) The courts of _ _ _ _ _ _ _ _ _ _ _ alone shall have jurisdiction with respect to arbitration or any other dispute

IN WITNESS WHEREOF the Parties hereto have put their hand this day and date first above mentioned

For on behalf of ……(SPV) _____ Name: Designation: ----------	**For and on behalf of ……(PMC)** _____ Name: ---------- Designation: ----------
Witnesses 1. 2.	1. 2.

(PMC AGREEMENT FOR INTEGRATED FOOD PARKS)

(G.O.Ms. No.105, Ind. & Com. (Prog.III) Dept., dt:28.07.2016)

MEMORANDUM OF AGREEMENT

Between

(SPV)

AND

(PMC)

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement has been entered into at ------ on this ------ of **-------**

Between

(The Lead Promoter of the Proposed SPV) a company incorporated in India underthe Companies Act, 2013 and having its registered office at ---------- (hereinafter referred to as **"SPV",** which expression shall unless repugnant to the context thereof, include its successors, assigns) of the **FIRST PARTY**

And

(NAME OF PMC), a company incorporated in India under the Companies Act,2013 and having its registered Office at ---------- (hereinafter referred to as "**PMC**", which expression shall include its successors, assignees and subsidiaries under its management) of the **SECOND PARTY**;

SPV and PMC are hereinafter individually referred to as "**the Party**" and collectively "**the Parties**"

WHEREAS

(A) SPV proposes to establish an Integrated Food Park which shall include Core Processing Facilities, Factory Buildings for Micro and Small Enterprises (MSEs), Enabling Basic Infrastructure and Non-Core Infrastructure as per the Guidelines of Integrated Food Parks Scheme (IFPS) and in line with Detailed Project Report approved by Andhra Pradesh Food Processing Society (APFPS), Government of Andhra Pradesh(hereinafter referred to as the "Integrated Food Parks" of the "Project").

(B) SPV proposes to set up the Integrated Food Park on ----acres of land at---------

-- for the Central Processing Centre of the Integrated Food Park.

(C) SPV is in need of the following expert services/assistance as a single window option in the form of a PMC for setting up its Integrated Food Park in ____ from Concept to commissioning basis, in order to ensure speedy and efficient execution of the Project:

(a) Assist SPV in finalizing business plan and preparing detailed project report for the project as per guidelines of the scheme and requirements of bank and financial institutions providing term loan for the project.

(b) Plan and develop a techno commercially viable Integrated Food Park with its components having an excellent potential to successfully support investments to be made by the Promoters of SPV through their own resources, bank debts &Government of Andhra Pradesh grants.

(c) Detailed engineering and design including preparation of detailed cost estimates for various project components/facilities.

(d) Preparation of bid documents, selection and appointment of contractors/equipment suppliers/consultants, in a transparent manner, for project construction and supply of plant and machinery.

(e) Monitoring and overseeing the work output of the contractors/equipment's suppliers/consultants in compliance of the terms and conditions of the contracts/appointments with the objective of ensuring quality, completeness and compatibility of the work carried out in relation to the Project.

(f) Prepare all necessary documentation for submission to APFPS in order to facilitate timely release of funds sanctioned under IFPS.

(g) Assistance to SPV in submission of monthly progress reports to APFPS in prescribed format.

(h) Ensuring efficient utilisation of these funds to create good quality infrastructure assets without extra cost and time overruns

(D) The parties hereto have agreed to record their understanding, agreed terms and conditions as and byway of this Memorandum of Agreement (here in after referred to as **Agreement"** for the same.

NOW THEREFORE IT IS HEREBY AGREED BETWEEN THE PARTIES TO ENTER IN AN AGREEMENT (MOA), HERETO AS UNDER:

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SPV and PMC share a common vision of setting up an Integrated Food Park with supporting infrastructure, which would help the SPV in benefiting from higher standard of infrastructure facilities and meeting compliance norms

(3) Purpose

The objective of this arrangement is to synergize professional competency of PMC with entrepreneurial skills of SPV in development of an Integrated Food Park in keeping with the guidelines of IFPS and in line with Detailed Project Report approved by APFPS

(4) Role of PMC

In order to achieve the above-mentioned purpose, PMC would act as a single point option as "Project Engineering and Management Advisor" to assist SPV in development and implementation of the Project from commissioning basis and shall provide the following services (the "**Services**"):

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However, the size, combination and priority of tender packages would be decided by SPV in consultation with PMC.

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(ii) ***Land for Project:***SPV shall procure all lands for the project from the State Government or competent authorities or private parties, as the case may be

(iii) ***Techno-Commercial and Financial Data:***SPV shall provide all necessary techno-commercial & financial information that is relevant to the development and commissioning of the Project

(iv) ***Release of Work Orders etc:***SPV shall in consultation with PMC finalise and approve its requirements related to the Project, release work orders for topographical, geo-technical, hydro-geological surveys and construction works and take requisite steps as may be required for implementation of the Project

(v) ***Statutory Approvals:***SPV shall obtain key statutory approvals/clearances including environmental clearances, which are prerequisite to commencement of the Project. PMC will assist SPV in obtaining the same

(vi) All decisions regarding all matters related to development of the Integrated Food Park would be finalised on approval by the Board of the SPV or any such person authorised by the Board of the SPV and decision of SPV will be final.

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In view of the key role of the PMC in ensuring implementation of the Project and range and scale of services required for this purpose, PMC would deploy dedicated and sufficient personnel for the project which would be responsible for meeting the timelines given in the Project Implementation Schedule. PMC has thus, in discussion with SPV, would decide the number of person days/months required for various services, as mentioned at Para (4) for completion of the Project and agreed to deploy personnel/experts as per the Personnel Schedule, given as Annexure of this Agreement.

(7) PMC Fees & other charges

In consideration of the services rendered/agreed to be rendered by PMC under this Agreement, as mentioned at Para (4) above, SPV shall pay professional

fees of Rs_ _ _ _ _ _ plus applicable taxes and duties to PMC as per the following schedule:

#	Activity	Milestone	Payment To be made (Rs. In Lakh)	Total Amount (Rs. In Lakh)
	Total Fees			

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PMC shall commence its work for the Project immediately on signing of the Agreement and shall endeavour to complete the assigned tasks within the time lines as mutually agreed from time to time. If there is a failure or breach or delay in completion of the assigned tasks by PMC on account of any reasons or failure or defaults attributable to SPV and the statutory agencies, if any, the timelines for completion of those assigned tasks shall be extended till compliance of the requirements by SPV and others, and the same shall not be considered as breach or failure by PMC

(9) Validity

This Agreement will be valid until it is expressly terminated by either Party on mutually agreed terms, during which period SPV, as the case may be, and PMC will take effective steps for implementation of this Agreement. Any act on the part of SPV and PMC, after termination of this Agreement by way of communication, correspondence etc., shall not be construed as an extension of this Agreement. The Agreement would be valid for ……..from the date of signing of this Agreement unless mutually extended by both the parties

(10) Modification

Modification of the terms and conditions of this MOA, including any modification of the scope of the Services or of the fees, may only be made by written agreement between the Parties

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(j) Definition

For the purposes of this MOA, "Force Majeure" means an event which is beyond the reasonable control of a Party, and which makes a Party's performance of its obligations under the MOA impossible or so impractical as to be considered impossible under the circumstances

(ii) No Breach of MOA

The failure of a Party to fulfill any of its obligations under the MOA shall not be considered to be a breach of, or default under this MOA insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event (i) has taken all reasonable precautions, due care and reasonable alternative measures in order to carry out the terms and conditions of this MOA, and (ii) has informed the other Party as soon as possible about the occurrence of such an event

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Any period within which a Party shall, pursuant to this MOA, complete any action or task, shall be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure

(12) Suspension/Termination

(i) Suspension of Payments by SPV

SPV may by written notice of suspension to PMC, suspend all payments to PMC here under (except in relation to those Services, which have been performed) if PMC fails to perform any of their obligations under the MOA, including carrying out the Services, provided that such notice of the Suspension (i) shall specify the nature of the failure and (ii) shall request PMC to remedy such failure within a period not exceeding thirty (30) days or such other extended time as may be mutually agreed upon, after the receipt by PMC of such notice of suspension

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SPV may terminate this MOA, by not less than thirty (30) days‟ written notice of termination to PMC, to be given after the occurrence of any of the events specified below:

(a) if PMC does not remedy a failure in the performance of their obligations under the MOA, within thirty (30) days of receipt after being notified or within such further period as SPV may have subsequently approved in writing;

(b) if PMC becomes insolvent or bankrupt;

(c) if, as the result of Force Majeure, PMC is unable to perform a material portion of the Services for a period of not less than sixty (60) days; or

(jjj) Termination by PMC

(a) PMC may terminate this MOA, by not less than thirty (30) days‟ written notice to SPV, provided such notice is given after the occurrence of any of the events specified below :(a) if SPV fails to pay any monies due to PMC pursuant to this MOA and not subject to dispute pursuant to Clause 12 hereof within forty-five (45) days after receiving written notice from PMC that such payment is overdue; or

(b) if, as the result of Force Majeure, PMC is unable to perform a material portion of the Services for a period of not less than sixty (60) days

(c) if SPV fails to comply with its obligations within the mutually agreed time lines

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Upon termination of this MOA pursuant to Clause 12 (ii) or (iii), SPV shall make the following payments to PMC:

(a) Professional Fees pursuant to Clause (7) for Services satisfactorily performed prior to the effective date of termination; and

(b) In case of termination pursent to Clause 12 (ii) (c) of this MOA on account of Force Majeure period for not less than 60 days, reasonable costs incidental to the prompt and orderly termination of the MOA shall be reimburse in addition to the Professional Fees under Clause 12 (iii) (a) above;

(13) Arbitration

(j) It is hereby agreed between the Parties that the Project shall be executed in the manner and form outlined in this Agreement. If any dispute or difference of any kind whatsoever arises between the Parties in connection with or arising out of or relating to or under this Agreement, the Parties shall promptly and in good faith negotiate with a view to its amicable resolution and settlement. In the event no amicable resolution or settlement is reached within a period of thirty (30) days from the date on which the above-mentioned dispute or difference arose, such dispute or difference shall be referred to a panel of arbitrators. The panel of arbitrators shall consist of three persons. Each Party hereto shall appoint one arbitrator and the two arbitrators so appointed shall together appoint the third arbitrator, who shall function as the presiding arbitrator. The seat of arbitration shall be ------- and the arbitration shall be conducted in the English language. The Arbitration and Conciliation Act, 1996 and any amendments thereof, shall govern arbitral proceedings

(ii) The existence of any dispute or difference or the initiation or continuance of the arbitral proceedings shall not postpone or delay the performance by the Parties of their respective obligations under or pursuant to this Agreement. Further, this Agreement shall remain subsisting and operative during the arbitral proceedings and no payment due and payable to either Party shall be withheld except the payment in dispute, if any

(iii) The courts of _ _ _ _ _ _ _ _ _ _ _ alone shall have jurisdiction with respect to arbitration or any other dispute

IN WITNESS WHEREOF the Parties hereto have put their hand this day and date first above mentioned

For On Behalf of ……(SPV) _____ Name: Designation: ----------	**Forandonbehalfof ……(PMC)** _____ Name: ---------- Designation: ----------
Witnesses 1. 2.	 1. 2.